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MEXICAN PRODUCE INDUSTRY REMAINS OPTIMISTIC  The Mexican industry continues to press forward and work toward future innovations despite its many challenges.
Freight costs and fluctuating dollar valuations make shipping product from the exporting countries into the United States a major challenge.
WIN BIG WITH TEXAS PRODUCE  Although production is down slightly, the Lone Star State continues to create marketing programs and expand importing efforts.
FLORIDA STRAWBERRIES MAKE RETAIL SPLASH Bountiful strawberries take center stage in the produce department thanks to consumer education, promotional efforts and great-tasting fruit.
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Fresh, regional fare is the key — no matter what the time of year.



#### THIS MONTH'S WINNER:

#### **Brian Wright** Sales and Packing Manager Del Mar Farms

Westley, CA

very fast-paced industry."

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**How To Win** 

To win the Produce Business Quiz, the first thing you have to do is enter. The rules are simple: Read through the articles and advertisements in this issue to find the answers. Fill in the blanks corresponding to the questions below, and either cut along the dotted line or photocopy the page, and send your answers along with a business card or company letterhead to the address listed on the coupon. The winner will be chosen by drawing from the responses received before the publication of our February issue of Produce Business. The winner must agree to submit a color photo to be published in that issue.

Wright has worked for the grower/shipper/packer for 2½ years and deals mostly with apricots, honeydew, Roma tomatoes and almonds. "Dealing with variability is probably one of the biggest challenges in the produce business."

Being successful in the produce industry,

says Brian Wright, sales and packing manag-

er, Del Mar Farms, Westley, CA, entails

knowing how to "roll with the punches.

Every day is different," he explains. "It's a

Brian's responsibilities include watching packing costs and dealing with food-safety and quality-assurance issues. "Food safety has become a true necessity these days and we've always strived to make quality our No. 1 priority," he adds.

A PRODUCE BUSINESS reader since he joined Del Mar, Brian enjoys the history of the many produce businesses, particularly those that are family-owned and passed down from generation to generation.

As the winner of the PRODUCE BUSINESS Quiz, Brian wins a 12-piece golf set.

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1) What is the number to rece	eive more information about the Idaho-Eastern Oregon Retail
Display Contest?	
2) What is the Web address for	Oso Sweet Onions?
3) What is the fax number for C	Garden Fresh Salad Co.?
4) What is the street address for	r Red Blossom Farms?
5) What is the phone number for	or SunnyRidge Farm, Inc.?
6) What year was Edinburg Citr	rus Association formed?
This issue was: 🔲 Pers	onally addressed to me 🔲 Addressed to someone else
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President & Editor-in-Chief • James E. Prevor JPrevor@phoenixmedianet.com

Publishing Director • Kenneth L. Whitacre KWhitacre@phoenixmedianet.com

Managing Editor • JAN FIALKOW JFialkow@phoenixmedianet.com

Special Projects Editor • MIRA SLOTT MSlott@phoenixmedianet.com

Assistant Editor • Amy Shannon AShannon@phoenixmedianet.com

Circulation Manager • Kelly Roskin KRoskin@phoenixmedianet.com

Executive Assistant • Fran Gruskin FGruskin@phoenixmedianet.com

European Bureau Chief • ROBERT ZWARTKRUIS RZwartkruis@phoenixmedianet.com

Production Director • DIANA LEVINE DLevine@phoenixmedianet.com

Production Leader • Jackie Tucker

#### **Production Department**

Freddy Pulido JOANNA ARMSTRONG

**Trade Show Coordinator • Jackie Lomonte** JLoMonte@phoenixmedianet.com

#### **Contributing Editors**

CAROL BAREUTHER, DUANE CRAIG, PETER LAVERY, JACQUELINE ROSS LIEBERMAN, COLLEEN MCGINN, K.O. Morgan, Julie Cook Ramirez, Jodean Robbins

Advertising Eric Nieman, Associate Publisher ENieman@phoenixmedianet.com

JENNIFER JORDAN

JJordan@phoenixmedianet.com

SANDY LEE

SLee@phoenixmedianet.com

BILL MARTIN

Martinmedia45@peoplepc.com

ELLEN ROSENTHAL

ERosenthal@phoenixmedianet.com

#### Floral Department Marketing

E. Shaunn Alderman

SAlderman@phoenixmedianet.com

#### **Marketing Solutions and Integrated Sales**

JDeleguardia@phoenixmedianet.com

Send insertion orders, payments, press releases, photos, letters to the editor, etc., to:

#### PRODUCE BUSINESS

P.O. Box 810425 Boca Raton, FL 33481-0425 Phone: 561-994-1118 Fax: 561-994-1610 E-mail: ProduceBusiness@phoenixmedianet.com

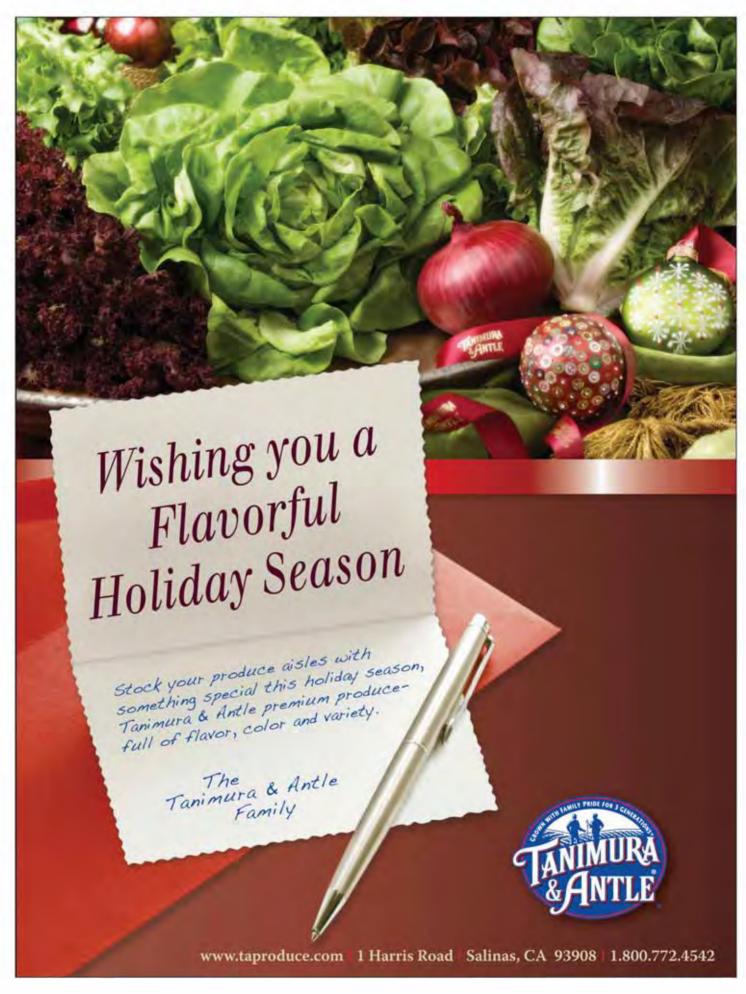
PRODUCE BUSINESS is published by Phoenix Media Network, Inc. James E. Prevor, Chairman of the Board P.O. Box 810425 Boca Raton, FL 33481-0425

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#### WASHINGTON GRAPEVINE

A report on the inside happenings of government.

SUBMITTED BY ROBERT GUENTHER, SENIOR VICE PRESIDENT, PUBLIC POLICY • UNITED FRESH PRODUCE ASSOCIATION



## **New Opportunities Abound**

enator Barack Obama will be sworn in as the 44th President of the United States on Jan. 20. With expanded Democratic majorities in the House and Senate, it will be the first time in 14 years Democrats control both Congress and the White House. The public-policy landscape will be significantly altered for at least the next two years as committee ratios tilt toward the majority and executive branch appointees begin shaping federal agencies.

As of Nov. 21, the Democrats' margin in the House increased by 20 seats to 256 overall with three contests still remaining. This shift provides the largest majority for either party since 1993-1994. Seven members of the 46-member House Agriculture Committee will have to be replaced. Nationally, Democrats defeated 12 GOP incumbents and won nine open seats vacated by Republicans.

With two races yet to be decided, Democrats increased their seats in the Senate by seven. The Democrats can reach the 60-seat majority necessary to invoke cloture if they win in Minnesota and Georgia and if both Independents continue caucusing with the Democrats. The two undecided Senate races hold interesting potential for the produce industry. In Georgia, the ranking Republican on the Senate Agriculture Committee and longtime advocate of the produce industry Saxby Chambliss is facing a run-off election. In Minnesota, on Day 3 of the recount, Republican Senate Agriculture Committee member Norm Coleman had a 136-vote advantage over Democratic challenger Al Franken with 2.9 million total votes cast.

The Democrats' improved position in the Senate empowers them to more efficiently pursue their agenda. Republicans, however, will maintain significant power, if the Democrats do not get the 60-vote majority.

So, how are the changes in the White House and in Congress likely to impact issues important to the produce industry?

**Tax and Budget:** The Congressional Budget Office reported the fiscal year 2009 federal budget deficit may reach \$1 trillion. Entitlement programs, continued military cam-

paigns in Iraq and Afghanistan and a multifaceted financial-industry rescue package have swollen the national debt. Government revenues will slow as a result of the U.S. economic slowdown and global market uncertainty as Congress seeks to reverse the economic slide early by passing a \$150-\$200 billion economic stimulus package aimed at jump-starting national infrastructure projects.

Congress and the new administration

We look forward to working with both the new political leaders...and our long-time allies...

will need to finance their priorities and will look to various industries to help foot the bill. Food and agriculture user fees could be increased in targeted areas, including inspections, commodity futures trading and U.S. Department of Agriculture (USDA) regulatory and marketing programs such as Animal and Plant Health Inspection Service (APHIS) biotechnology approvals.

Food Safety: A number of food-safety bills were introduced in the last Congress. Democratic Rep. Henry Waxman (CA-30) and Rosa DeLauro (CT-3) and Sen. Tom Harkin (IA) and Richard Durbin (IL) have all introduced legislation pushing for oversight of food-safety issues confronting our industry over the past few years. It is likely they will be reintroduced in the 111th Congress, and their sponsors will look to the new administration to bolster their consideration

Immigration: Early election analyses indicate a large majority of Hispanics voted for Obama and Democratic House and Senate candidates. The new Congress will likely consider comprehensive immigration reform, including earned adjustment status, a revamped E-verify and temporary worker program and employer sanctions. An ambi-

tious agenda focused on economic relief, health care and the budget may force immigration reform to slide on the priority scale. United Fresh is committed to passage of beneficial reform that meets the needs of the produce industry in the new session.

Environmental Protection: Environmental initiatives may find a more sympathetic ear in the new administration, which is likely to support stricter interpretations of the National Environmental Protection Act, the Endangered Species Act and the Clean Air Act. During communications with the agriculture community, President-elect Obama has emphasized decisions will be based on sound science with farmers at the table and with his appointees taking critical economic factors into consideration.

Climate change legislation will also likely be considered, but division among Congressional Democrats may make consensus difficult. Absent a consensus in Congress, the new administration's Environmental Protection Agency (EPA) and State Department may push a number of climate change-related clean-air initiatives, including possible adoption of the Kyoto Protocol and broader regulation of greenhouse-gas emissions under the Clean Air Act.

**Trade:** Renewal of the Trade Promotion Authority is unlikely in the short term and the multilateral and bilateral trade agenda will be very light. Instead, the U.S. Trade Representative will likely focus on investigations of alleged trade disputes and enforcement of existing trade laws and agreements. There is also likely to be an increase in the number of dispute settlement cases filed under the World Trade Organization and North American Free Trade Agreement by and against the United States.

No matter which party holds sway, the produce industry has a reputation for working with both sides of the aisle. As we confront these all-important issues in the 111th Congress and with the new Obama administration, we look forward to working with both new political leaders and our long-time allies in Congress.

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#### THE FRUITS OF THOUGHT



## **Counting Our Blessings**

oward the end of 1992, Queen Elizabeth II gave a speech in which she declared herself not unhappy to see that year finished: "1992 is not a year on which I shall look back with undiluted pleasure. In the words of one of my more sympathetic correspondents, it has turned out to be an Annus Horribilis."

The Queen did not invent the phrase but she popularized it, and annus horribilis, which is Latin for "horrible year," has since entered into the lexicon.

With the stock market down and "crisis" in the air, is it right to look at this year drawing to a close as an annus horribilis for us all? We have our challenges and it is not trivial when people lose their life savings because their homes suddenly have negative equity or their 401-Ks are decimated. Still, it would be ahistorical to think this

is the "worst of times." Yes, we are in a recession and have problems with foreclosures, but it is worth reminding ourselves that our 6.7 percent unemployment rate means that 93.3 percent of all Americans who want a job have a job. TransUnion reports 3.53 percent of mortgages in America are delinquent, which means 96.47 percent of Americans are paying their mortgages in a timely way.

It has been a good year in other ways as well: For the first time, life expectancy surpassed 78 years as it rose for men and women, for blacks and whites. There were declines of more than 6 percent in deaths from stroke and respiratory

disease, a drop of more than 5 percent in deaths from heart disease and diabetes. In fact, despite all the talk about the epidemic of diabetes caused by obesity, the decline in deaths from diabetes pushed that disease out of the Top 5 diseases and allowed Alzheimer's disease - which staved about the same - to become the fifth most deadly disease in the country. Flu and pneumonia deaths dropped by 13 percent and infant mortality dropped 2 percent.

One other thing: Fresh produce sales are on a track to finish 2008 at an all-time high. In fact, many good things happened in the fresh produce industry this year: A new Farm Bill for the first time dealt seriously with the industry's concerns and included important new initiatives, such as the USDA School Fruit & Vegetable Snack program, which will generate benefits in the form of increased consumption for years to come. The industry-wide 5-A-Day promotion was successfully transitioned to a new, more progressive Fruits & Veggies More Matters program. PMA transformed its dated education foundation into a modern Foundation for Industry Talent and is closing in on raising \$5 million to help attract and retain the best and brightest people for the produce industry. Fresh Express presented the results of its research effort to help enhance food safety while the Center for Produce Safety started funding other research efforts.

There has also been an explosion of new retail concepts: small

footprint stores, such as Tesco's Fresh & Easy and Wal-Mart's new Marketside concept and niche concepts, such as Sam's Club's new Más Club, focused on Latinos, and Publix's new GreenWise concept, attempting to deliver "green" food without attitude. All these and more are providing new venues for selling fresh produce.

And there are reasons to think things may be getting better for consumers: The American Automobile Association tells us that on July 17, 2008, the national average price of gasoline hit an all-time high of \$4.12. As of Dec. 2, 2008, the price had declined for 76 consecutive days and was down to \$1.81, the lowest since 2005. That is an awfully big savings for consumers all across the country. Suddenly, there is a boom in refinancing as consumers look to take advantage of the decline in mortgage rates. This will increase disposable income for many.

> Despite all the wailing about how bankrupt everyone is, sales on so-called Black Friday, the day after Thanksgiving that is traditionally the biggest sales day of the year, actually rose 3 percent from the previous year. On so-called Cyber Monday, online sales were up 15 percent over 2007.

> Sure, many retailers and restaurants are not doing well, but others, such as Wal-Mart and McDonald's, are thriving. Even upscale retailers are starting to adjust. After suffering double-digit sales declines month after month, Saks Fifth Avenue is working with manufacturers to offer discounts on high-quality, stylish

goods and its sales drop in November shrunk to only 5.2 percent on a same-store sales basis.

Queen Elizabeth II used the phrase annus horribilis as an allusion to a famous poem by John Dryden. His poem, published in 1667 about the events of 1666, was entitled Annus Mirabilis, a Latin phrase that translates as "year of miracles" or "year of wonders." What was so wonderful about 1666? It was the year of the Second Anglo-Dutch war, and the British naval fleet fought three brutal battles. The year was also marked by the Great Fire of London, which destroyed the homes of about 70,000 of London's 80,000 inhabitants.

So why did Dryden see 1666 as a wonder? Well, Britain wasn't destroyed in battle and a great king, Charles II, would rebuild the City of London. Besides, 1666 contained "666" - the Number of the Beast from the Book of Revelation — and so was expected by many to be disastrous. When all that happened is the whole city burned down and made everyone homeless, Dryden thought it cause for celebration!

Perhaps this is a lesson for us. It is easy to fall into despair, but most of the human race, for most of history, has had things far worse than we do, recession or not. Perhaps at this holiday season, we can look to our families and friends and count our many blessings. Tomorrow is a new day, 2009 is a new year, and we have every reason to think we can make it a great one.



## Happy Birthday Broccolini!

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## A Commitment To Your Future

s I write this, PMA is putting the finishing touches on our 2009 business plans and I expect many of you are, too. I can imagine what's in your plans — new products, market expansion, facility upgrades. Those are essential, but what about a plan for attracting and retaining leaders to manage your business in the future? If finding and developing talent is not one of your top business priorities, your other objectives may not matter in five years — and certainly won't in 10.

It's no secret the produce industry competes with other industries for talent. That shortage will accelerate, as the oldest baby boomers begin to retire in 2011. It is more imperative than ever to groom leaders now to first manage and then lead our produce supply chain into the future. Those of you who were at Fresh Summit in Orlando couldn't fail to hear the steady drumbeat from industry leaders focusing on this imperative and what PMA is doing to address it.

In a recent survey, PMA members told us repeatedly that finding and keeping good, quality people is the most critical challenge facing their companies. But it's not only about finding the right people — it's also about connecting with the next generation, one that's been raised on cell phones, iPods and blogs. These younger workers also expect more professional development opportunities — and we must deliver.

So what does all this mean for you? It means now is the time to invest in professional development that educates your staff and expands their skills. It means now is the time to introduce students to your company through internships, scholarships and mentoring programs to energize and excite them about the produce industry. It means you need to grow as a leader, need to connect with new generations in the workplace and need to set an example for them.

Here are a few of the ways PMA and our Foundation for Industry Talent (FIT) is addressing these needs — and you can expect to hear much more about others in the next few months.

hile professional development is important, it's also critical to compete for tomorrow's top talent.

Next month, Produce Business and Cornell University will again sponsor the annual PMA Leadership Symposium Jan. 14-1in Dallas, brought to you by PMA FIT. Each year the symposium offers leadership training with today's top leadership experts and designed for executives looking to take their skills to the next level. The collegial, intimate environment allows up to 100 attendees to come together to share ideas, discuss business trends, examine how to manage tomorrow's workforce, learn how to be a maverick thinker and more. I guarantee you will walk away with a newfound passion for your business and a Rolodex full of new colleagues.

While professional development is important, it's also critical to compete for tomorrow's top talent. The 2-year-old PMA FIT's mission is to attract, develop and retain talent. The most visible activity so far is the Pack/PMA Career Pathways Fund, which has had great success raising the visibility of our industry at leading colleges in the United States and abroad. In Orlando, the students, faculty and alumni of the program highlighted the value of this outreach. Other foundation activities to date include hosting a job bank for entry- and intermediate-level positions, mentoring programs and scholarships that immerse students by bringing them to PMA's Foodservice Conference. So far, of the students who have graduated since attending Fresh Summit on foundation scholarships, more than 50 percent have accepted positions, from marketers to buyers, with PMA member companies. That's a remarkable success rate!

However, the foundation cannot grow without broad commitment, financial support and participation. It will need your help to realize its future plans to create new training and education tools, a visiting professor program and other products to encourage employee loyalty and retention. PMA and many leading companies have made large financial commitments. I encourage all of you to join us now to support the foundation's work — with your money, your time, or preferably both. Visit www.pmafit.com for more information.

We must also develop the talent we currently have. PMA recently made two exciting new additions to our portfolio of professional development tools. The PMA Advantage: Custom Training program delivers over 100 professional development courses in 17 different subject areas — from communication skills to change management tailored to your company and delivered at your offices. E-ssentials is a Web-based produce training platform designed with and for retailers, from store associates to department managers. Its online courses are available 24/7/365, with topics ranging from the practical to the strategic.

The talent challenge is ours to take. We must make tomorrow's leaders part of our community today. We must invest in today's staff and encourage their long-term commitment to the industry. We must grow as individuals, both personally and professionally. PMA is here to help you prosper because your success is ours, too.

## Attracting Talent Beyond The Abstract

s we read Bryan's essay, we can't help but recall the adage, "The answer you get depends on the question you ask." We may not be asking the right questions.

When individuals decry being "unable to get jobs," they don't necessarily mean they cannot get any job, anywhere, doing anything at any pay. If you ask the right questions, you learn they cannot find a job a) in their locale, b) without an excessive commute, c) in the field they want, d) doing a job they are interested in, e) getting paid on terms they prefer - say salary as opposed to straight commission, f) with a benefit and compensation package they consider reasonable.

Equally, when executives answer a survey explaining "finding and keeping good, quality people is the most critical challenge facing their companies," they probably do not mean they cannot attract and retain good, quality people at any salary, at any benefit package. What they really mean is that at the salaries they are used to paying and with the jobs as now structured, they worry about the ability to attract and retain good, quality people.

One completely reasonable response is to turn up the marketing effort. It is true little children in American do not grow up dreaming of working in the fresh produce industry. People rarely see the infrastructure that brings produce to the table, so an industrywide effort to raise awareness and put the produce industry on the career radar screen is reasonable and appropriate.

Yes, the Pack/PMA Career Pathways Fund is a fantastic program and the industry is eternally in the debt of Jay and Ruthie Pack for initiating and funding the program and to PMA for organizing and sustaining it. That many a student who might have wound up in another industry winds up in produce after being exposed to the PMA convention is simply beyond any reasonable doubt.

Unfortunately, the over-50 percent number Bryan mentions is probably less meaningful than we might hope. The scholarship students are not selected randomly. It is highly likely that in one way or another — perhaps due to family connections or the interests of their faculty advisor or even who their friends are these students would have disproportionately wound up in produce under any circumstances.

Yet even if we accept that every single scholarship student who wound up working in the produce industry would not have done so otherwise — that still doesn't answer the question as to the utility of these programs. In order for them to be deemed useful to the industry, we actually have to be creating additional jobs or, at least, improving the quality of those holding produce-industry jobs. We just have no data whether this is happening.

In other words, certain jobs in the industry require the intellectual abilities, skill sets and attitudes a graduating senior from, say, Cornell, possesses. Now if we grant a scholarship to a Cornell student who comes to PMA, is introduced around and, because employers want to see this program succeed, he or she is offered a position in the industry upon graduation, the stats for the program will be good.

But the industry question is whether our young Cornell alum is just taking a position from another graduate of equal ability who didn't happen to win the scholarship.

In other words, if Wal-Mart hires a PMA scholarship student as a junior buyer, that is great but does it mean Wal-Mart wouldn't have filled that position without the PMA program? And if it would have, what did the industry accomplish by giving the scholarship?

There is a real danger the industry will focus excessively on attracting and retaining as abstract principles instead of focusing on making the jobs sufficiently desirable that people are attracted to the industry and want to stay in the business.

The market works pretty efficiently at disseminating this type of information. A few years ago, the front pages were filled with the news that for the first time ever the editor of the Harvard Law Review had accepted a position in investment banking. Children don't typically dream of growing up to be investment bankers. Same thing with management consulting, yet students in good schools have for years learned there were opportunities at

he secret to attracting and retaining highquality people is to offer high-quality jobs.

McKinsey & Co. or Goldman Sachs. If that situation changes and the opportunity is more constrained because of the financial crisis, the buzz on campus will quickly shift to favor marketing positions at Procter & Gamble and other opportunities that will develop.

It is easy to think of the trade's recruitment problems as primarily being caused by the ignorance of the student body: "If they only knew us, they would want to work here."

There is truth there. The produce industry is addictive, and if we can expose people, we will win some over. But the real challenge is how we can develop systems to make each individual more productive — then we can use that increased earning power to provide the pay, benefits and atmosphere to attract high-quality people to the industry.

The secret to attracting and retaining highquality people is to offer high-quality jobs. The PMA Foundation for Industry Talent can promote the produce industry as a career opportunity. But it could also help the industry to benchmark its opportunities against those of alternative career paths.

What are the job opportunities on a terminal market? Who might be a candidate for them? Why might those candidates prefer to work elsewhere? Can we alter the jobs to make them more appealing? PMA FIT could help the industry by shepherding this thought process for job classifications and business classifications throughout the industry.

We have found that if the product is good — in this case if the job opportunities the industry offers are compelling — the marketing effort tends to be far more effective.

#### **NEW PRODUCTS**

#### WEIGHPACK SYSTEMS, INC. MONTRÉAL, QC, CANADA

**Stephen Farruggio** has joined the sales team. With more than 25 years experience in the packaging industry, he will be responsible for managing the New Jersey, New York and Pennsylvania territories. He previously worked for Ampak, ITW Mima Packaging Systems and Allied Automation, Inc.



#### **UNITED FRESH PRODUCE ASSOCIATION WASHINGTON D.C.**

Kam Quarles was hired as vice president of government affairs. A veteran of agricultural policy and the inner workings of Congress, he has served for the past four years as the vice president of government affairs for the National Council of Farmer Cooperatives. He will help address key policy issues that impact the fresh produce industry.



Mario Medina has joined the sales team. He brings more than 20 years of experience in the packaging industry and he is fluent in English and Spanish and can speak basic Portuguese. Located in Miami, FL, he will be responsible for managing Southeastern states as well as Central and South America.



#### **NORTHERN PLAINS POTATO GROWERS ASSOCIATION EAST GRAND FORKS. MN**

Chuck Gunnerson was named interim president. He previously served as chairman of the Red River Valley Potato Growers Association (currently NPPGA), president of the National Potato Council and chairman of the Northern Crops Council.



#### **SMURFIT-STONE CONTAINER CORP.** CHICAGO, IL

Larry Tignor was hired as general manager of the Calpine Corrugated box plant in Fresno, CA. He brings more than 40 years of industry experience working in scheduling, customer service, sales and management. His duties include overseeing the Calpine container operations.



#### **DULCINEA FARMS, LLC** LADERA RANCH, CA

John McGuigan was appointed vice president of sales and marketing. He previously held senior management positions with Sunkist Growers, where he led sales and operations, built solid business relationships and continuously improved efficiencies. His duties include building a comprehensive and powerful sales and customer service team.



**WASHINGTON STATE** HORTICULTURE ASSOCIATION WENATCHEE, WA

**Bruce Grim** was appointed executive director. Active in the tree fruit industry for more than 25 years, he served on WSHA's board of directors from 1987 to 1993. The long-time grower will continue to serve as manager of The Marketing Associations, a family of four fruit-marketing cooperatives created in compliance with the Capper-Volstead Act.



Frank Mejia was appointed senior manager of operations for Mexico. He previously served as general manager for the Southeast Production Unit for Del Monte Fresh Produce. His responsibilities include enforcing strict quality standards and strengthening relationships with current and new grower partners.



#### PARTY TRAY PROGRAM

Mann Packing Co., Salinas, CA, launched One Stop Platter Shop, a turn-key program designed to grow sales and create incremental peak holiday sales with vegetable and vegetable-centric party trays in the produce department. The program is divided into five categories: The Traditionals, The Tailgaters, The Veggiecatessens, Season Specific/Holiday Marketing and In 'n Outs.



Reader Service No. 300

#### MIXED FRUIT CUPS

Old World Enterprise Group, LLC, a Northbrook, IL-based subsidiary of Old World Industries, a leading privately held manufacturer, marketer and licensing partner to Sunkist, expanded its refrigerated cut-fruit line with the addition of Mixed Fruit in 8-ounce plastic cups. The 8-ounce mixed fruit cups make convenient and healthful snacks.



Reader Service No. 301

#### PRALINE PECANS

Terry Lynn, Inc., Elgin, IL, introduced Georgia Praline Pecans to its line of products. Direct from the pecan orchards of Georgia, the pecans are hand selected to assure firmness and color. They are roasted in a sweet praline mixture, creating a delicious, rich-tasting treat available in bulk or retail packages in single-serve, pegboard or stand-up bags.



Reader Service No. 302

#### **RED PRINCE APPLES**

Riveridge Produce Marketing, Inc., Sparta, MI, introduced Red Prince, a unique specialty variety that is a cross between a Jonathan and a Golden Delicious apple. Its attractive, deep red exterior reveals an extreme crunch with a juicy, cream-colored flash. Red Prince provides a rich, full flavor with mildly sweet taste excellent for fresh eating, salads and baking.



Reader Service No. 303

Produce Watch is a regular feature of Produce Business. Please send information on new products, personnel changes, industry, corporate and personnal milestones and available literature, along with a color photo, slide or transparency to: Managing Editor, PRODUCE BUSINESS, P.O. Box 810425, Boca Raton, FL 33481-0425, or e-mail us at info@producebusiness.com



#### **COOL LABELS**

Colorama, Santiago, Chile, has developed high-quality, self-adhesive produce-industry labels that can be used to meet country-oforigin labeling (COOL) requirements. The labels hold up during international transit and perform well under a variety of circumstances presented by fresh produce shipping.



Reader Service No. 304

#### GRAB-AND-GO **HEALTHFUL SNACK LINE**

Aurora Products, Inc., launches the Aurora Natural grab-and-go line for convenience stores. The line includes salted roasted almonds, raw almonds, salted pistachios, salted roasted mixed



**NEW PRODUCTS** 

nuts, salted roasted sunflowers seeds, salted roasted cashews, cranberry health trail mix, Pacific almond trail mix, Rocky Mountain mix, unsalted cashews, sweetened banana chips and dried cranberries.

Reader Service No. 305

#### SINGLE BAKERS FOR KIDS

Imagination Farms, Indianapolis, ID, launched its Disney Garden Single Bakers with collectable stickers. Disney Garden Single Bakers are available from Russet Potato Exchange (RPE) and Rigby Produce. The individually wrapped potatoes weigh about six or seven ounces each, making them appropriate portions for children, and include peel-open labels with collectible stickers.



Reader Service No. 306

#### FOOD SAFETY DIAGNOSTIC TESTS

Vista Enterprises, Inc., Rio Vista, CA, offers QuickAlert, a screening tool able to detect bacterial contamination above background levels directly from a food product and provide results on the spot in 20 minutes. The tool does not involve laboratory time, expense or equipment. The easy-to-use QuickAlert kit comes with enough supplies to conduct 50 tests.



Reader Service No. 307

#### CRANBERRY BREAD MIX

Concord Foods, Inc., Brockton, MA, introduces its signature Cranberry Bread Mix with a hint of orange flavor to complement the sweetness of fresh cranberries. The bread mixes include a \$1-off, in-store coupon good toward the purchase of one 12-ounce bag of Ocean Spray Cranberries through Dec. 31. Look for the tear-off holiday recipe pad featuring recipes that incorporate Concord Foods mixes and Ocean Spray products on display in your local supermarkets.



Reader Service No. 308

#### ORGANIC AÇAÍ JUICES

Sambazon, Inc., San Clemente, CA, launched its multi-serve organic açaí juices in retail stores. The 32-ounce juices feature organic açaí, a purple palm berry that grows wild in the Amazon Rainforest, and are available in original blend and antioxidant trinity. The juices are packaged in fully recyclable bottles and have a suggested retail price of \$7.99



Reader Service No. 309

#### SWEET GREEN PEPPERS

Enza Zaden, Enkhuizen, The Netherlands, introduces its new line of SweetGreen peppers to the U.S. market. SweetGreen peppers are sweeter than red or green bell peppers because of their extremely high natural sugar content. Grown in greenhouses, SweetGreen peppers are harvested by hand when they are the most mature and have the highest sugar content.



Reader Service No. 310

#### SQUEEZABLE HERBS AND SPICES

Gourmet Garden, Palmwoods, Queensland, Australia, offers an array of fresh herbs with the convenience of dried herbs and the rich flavor of fresh herbs. The squeezable herbs and spices are available in 10 varieties: basil, cilantro, dill, garlic, lemon grass, oregano, Italian seasoning, chili pepper, ginger and parsley.



Reader Service No. 311

#### **ANNOUNCEMENTS**

#### MASTRONARDI OFFERS CAMPARI TOMATO

Mastronardi Produce, Kingsville, ON, Canada, offers Sunset Campari Brand Cocktail Tomatoes and markets them as the most versatile tomato in the kitchen with the perfect balance of sweetness and acidity. The company recently reached a long-term deal with Enza Zaden, the Dutch seed producer, for the exclusive North American rights to the variety.



Reader Service No. 312

#### PARAMOUNT FARMS NAMED CLEAN AIR CHAMPION

Paramount Farms, Los Angeles, CA, has been selected as a 2008 Clean Air Champion by the San Joaquin Valley Air Pollution Control District. It was chosen because of its significant contributions to achieving cleaner air through its solar installations and employee trip reduction measures such as telecommuting, onsite foodservice and van pools.



Reader Service No. 313

#### FRESH MARKET EARNS MERCHANDISER OF THE YEAR AWARD

The Florida Fruit & Vegetable Association (FFVA), Maitland, FL, presented its Merchandiser of the Year Award to The Fresh Market, Inc., a Greensboro, NC-based chain with 80 stores, for its support of FFVA's Florida strawberry program. The quality-driven, specialty neighborhood grocer vigorously promotes Florida strawberries as well as Florida-grown blueberries.



Reader Service No. 314

#### Well-Pict Introduces Winter STRAWBERRIES FROM FLORIDA

Well-Pict Berries, Inc., Watsonville, CA, introduced winter strawberries from Florida for the first time this year. The strawberries are being shipped from December to February. Well-Pict also unveiled a new 2-pound strawberry clamshell designed to reduce shipping costs. The new clamshell was engineered to fit in the same trays as Well-Pict's popular, recently redesigned 4-pound container.



Reader Service No. 315

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#### Welcome To The Age Of Preposterous Reasoning: **Defending The Dignity Of Plants**

From Jim Prevor's Perishable Pundit, Nov. 7, 2008



In our piece Can Whole Foods Survive Prolonged Economic Downturn? we said the company was running out of financial flexibility and had five options:

- Muddle through. By paring back capital expenditure and utilizing its credit lines, Whole Foods may make it through but if we are in for a long recession, there is a real risk the company could eventually run out of money.
- Whole Foods may have to sell stock even at this stock price to raise capital and sustain its operational plans.
- Whole Foods may find a partner for its British operation that is willing to put in capital to sustain the operating loss and capital expenditures needed to grow the division.
- Whole Foods could shutter its U.K. division and staunch the bleeding.
- Perhaps Whole Foods could sell itself to another retailer better able to carry it through the recession.

Well, Whole Foods announced its earnings and simultaneously announced it had chosen option two by accepting an investment from Leonard Green & Partners, L.P.

The quarterly results were tough. Although overall sales were up 13 percent, identical store sales fell 3.3 percent.

Total earnings dropped almost 96 percent to \$1.5 million or 1¢ per

Although the company identified a number of non-recurring charges that hit profitability hard and thus said the earnings situation wasn't quite so bad, many of these charges were troublesome for other reasons. For example, the company paid \$5.5 million, or 2¢ a share, to terminate leases on 13 stores in development, which makes you feel they either didn't have the capital to fixture and inventory the stores or weren't convinced they would be profitable.

Also the company took a tax hit of \$6.1 million, or 4¢ a share, to repatriate \$60 million in earnings from Canada. Once again, this seems to imply either diminished opportunity — no useful way to invest the money in Canada — or a need for cash down in Austin.

The Wild Oats acquisition seems to be a big loser. The FTC lawsuit against Whole Foods is projected to cost another \$15 to \$20 million in legal fees in fiscal year 2009. Also there are 40 idle Wild Oats stores, and Whole Foods had to increase its reserves associated with these stores, because the downturn in the real estate market means Whole Foods can't sell or sublease these properties, at least not at what had been the assumed values. This cost \$14.7 million, or 5¢ per share, in the quarter. The company also estimates Wild Oats operations lost over \$25 million, or 9¢ per share, in the quarter. In addition, buying Wild Oats means Whole Foods took on debt at a time when it probably wishes it did not.

Although the company raising \$425 million through a preferred stock issue was good news — and the market initially reacted favorably to it before slipping back — it was good news because the company was operating with thin capital. Now, as a better financed company, it can probably afford to wait out the recession.

Selling the issue on the terms they did indicates the company really

needed capital. A year ago people were buying stock in Whole Foods for \$50 a share; now Whole Foods just sold the right to buy 17 percent of the company at \$14.50 a share and agreed to pay a dividend while the investor holds the preferred. Initially the dividend is 8 percent and can be lowered after three years if the stock price of Whole Foods is sufficiently high.

Interestingly enough, the preferred stock sale contains a PIK, or Payment In Kind, option whereby Whole Foods can pay the dividend due in additional securities. This gives Whole Foods flexibility if earnings are poor and cash is tight - but it also means Leonard Green & Partners, L.P. could end up owning more than 17 percent of the company.

For vendors, the investment is great news as it makes the company much stronger financially.

Whole Foods, which has always had a very division-based procurement system, is going to try to leverage its total buying power to get better deals. Why shouldn't they join the club? Every retailer does this though it can be difficult to sustain a focus on "differentiated product" if the focus shifts to reducing costs.

We continue to think the executives at Whole Foods are attempting to do something that just can't work. We took this from the same confer-

The Whole Foods Market brand stands for the highest quality, and over the last several years we have worked hard to increase the value choices within our grocery and Whole Body departments without sacrificing our standards. We believe our efforts have been successful since these departments are continuing to produce positive comps. While we saw a decline in average transactions in grocery, our average basket size was up, which we believe is a reflection that customers are making fewer trips but stocking up with more on each trip.

Our Whole Deal program, launched in July, has helped to highlight the values we offer within perishables. The program includes a quarterly in-store guide providing specially priced product discounts, money-saving coupons and tips, as well as budget recipes. For the July through September period, we saw a lift on all items included in the Whole Deal program with perishables driving a significant majority of the sales lift.

There are some signs of customers trading down within the store as evidenced by sales in our own brands growing three to four times that of branded product.

While we realize we are not going to change perceptions overnight, our efforts are gaining some traction in the media, which we hope will help positively reinforce to our existing customers that we are offering great values in terms of high quality at a competitive price, as well as helping to educate and entice prospective new customers as well.

They really think there is a "perception problem" that needs to be "changed," but we think that any change in "perception" will alienate the core customer base. That seems every bit as true today as before Whole Foods issued its earnings. Its only choice is to batten the hatches www.perishablepundit.com and live to fight another day.



## Q & A With Ken Schmidt

Produce Business special projects editor Mira Slott caught up with Ken Schmidt, branding guru and former director of communications for Harley-Davidson, following his speech at the Produce Marketing Association (PMA) Fresh Summit 2008 in Orlando, FL.

#### Q: When you walk into a produce department at a supermarket, what is your perception?

A: At a major chain, it's not something I haven't seen a million times. Most produce departments are indistinguishable and generic. I like to shop in upscale supermarkets. Everything is so beautifully presented and I'm captivated by produce items I haven't seen before.

Q: You built a cache and identity around the Harley-Davidson brand as the cornerstone of your success strategy. How can a produce company earn consumer loyalty for its product when

branding is not that prevalent in the industry? Except for a few prominent brands, loose produce commodities in bulk displays continue to dominate. Could the trend toward packaged items provide that stepping stone?

A: Branding is value we attach to something. Del Monte Fresh Produce was a brand in my house growing up. I attach value through comfort. A sticker or logo or other identification, such as creative packaging, provides a visual identity so it doesn't look like a commodity. In the produce industry, a company needs to create a brand or identity to carry it through the supply chain. Anything treated like a commodity by the supplier won't stand out to the retailer. The majority of bulk produce has to get through the buyer in order to be put on the shelf. As a consumer, I'll go for the beautifully presented grapefruit this week if the store promotes them well.

#### Q: So the supplier's relationship with the retailer is half the battle?

A: In a supermarket scenario or a warehouse club or a Wal-Mart Supercenter, consumers have bought an item because they were allowed to try it. If a shopper sees an item and doesn't know what it is or what it tastes like, he or she needs to be educated.

#### Q: Consumer confidence has waned with the increase in food-borne illness outbreaks and recalls and the media attention devoted to food-safety issues. How should the produce industry calm consumers' concerns?

A: The industry needs to be proactively talking about food safety and putting its weight behind it. In the marketplace, if the industry is seen as defensive and preoccupied with food-safety issues, it is attracting more attention to the problem. The flip side is to talk up the positive benefits of eating produce, freshness, health and taste attributes, and not turning off the customer by drawing attention



back to safety issues. The reason Harley-Davidson became unglued was that we thought the perception of quality was not good. We focused on quality, gained parity. but if we continued talking quality, we planted the shadow of doubt. "Better quality, new and improved," raises the question that what we were selling before wasn't good.

#### Q: Produce executives say skyrocketing input costs from product ingredients to manufacturing and transportation are placing harrowing demands on ways of doing business.

A: Creating efficiencies and cutting costs to counter increased input costs are all in

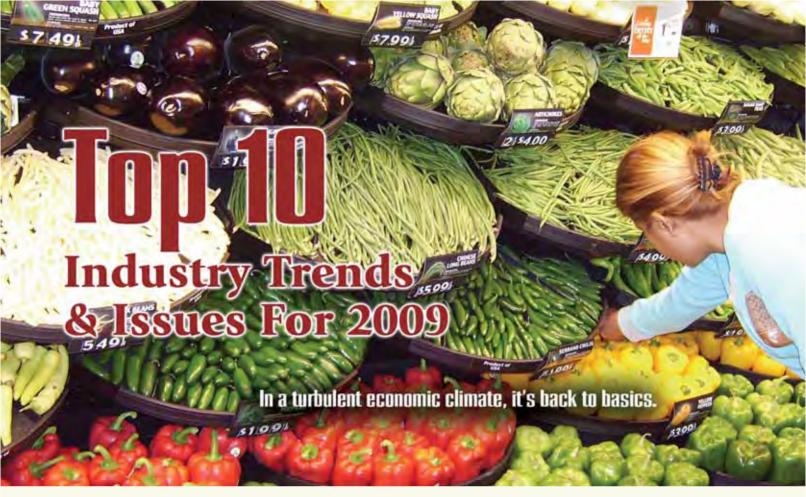
response to a crappy economy. That's fine and should be done, but those actions are not visual to consumers. That's internal knitting, but meaningless to consumers. The produce executive needs to answer the question of his customers and the end consumers: Why should I be buying your product? I'm always fascinated by dairyproduct manufacturers advertising freshness. Is anyone expecting to buy old milk? Business as a whole is such a copy cat. "We're green." Do consumers know, care or expect this? If you're selling produce, people think "green."

Q: Sustainability and corporate responsibility are the big buzz words these days. Retailers like Tesco plc, Wal-Mart Stores, Inc., and Kroger Co., are building an image on environmentally-friendly behaviors, and suppliers are being required to follow suit. Is this the kind of attribute that could win consumers' hearts or will it just be another mandate for doing business?

A: If your company is taking on sustainability, you better do it clearly and meaningfully and be ahead of everybody else. If you claim a space, that's where marketing dollars have to go and you need to tell your story over and over again. If your actions do not match your words, your image can be damaged.

#### Q: What is some key advice to leave with our readers?

A: Benefits are usually more imagined. We're emotional beings. If I serve this product, I feel better about myself. Consumers are so used to never being asked questions. What could we have done differently? Consumers might say they want good customer service, but good service means different things to different people. It's important to follow up. The retailer might think it has to bring in more labor, when good customer help might mean smarter signage or more convenient merchandising to get in and out of the store faster. Consumers appreciate being included in decisions and feeling valued.



By Carol M. Bareuther, RD

What are the top trends and important issues affecting the produce industry in 2009? We asked over 20 of the industry's movers and shakers to gaze into their crystal balls and offer their insights. The responses? Revealing, riveting and a rousing call to action.

#### ${f 1}$ . THE ECONOMY AND THE COST OF DOING BUSINESS

The economy "will dominate everything," asserts Bob Gray, CEO of Duda Farm Fresh Foods, Inc., Oviedo, FL.

Tom Nassif, president and CEO of Western Growers Association (WGA), Irvine, CA, agrees and adds, "It's tough for small farmers right now. They need to plan their crops and at the same time wonder what type of credit line they'll be able to get and the cost of that credit." Small farmers who can't raise the needed capitol either go out of business or are purchased by bigger companies, he says. "This ultimately reduces competition and increases price."

Uncertainties over the country's fiscal health come at a time when the costs of doing business are rising, notes Bryan Silbermann, president of the Produce Marketing Association (PMA), Newark, DE. "Fuel, energy, transportation, inputs, packaging, seeds and fertilizers — costs are going up across the board. We need to look at how the industry adjusts, for example, enhanced efficiencies up and down the supply chain."

Dave Corsi, vice president of produce and floral operations for Wegmans Food Markets, the 70-plus-store chain based in Rochester, NY, and

current PMA chairman of the board, says, "There's a reason the produce industry is referred to as a supply chain, rather than a supply line because of the bonds that hold us together and the responsibility we have for each other, each link to the others. As buyers, we cannot continue to force costs down the supply chain. If we do, one day we'll find our favorite growers' fields are now strip-mall parking lots or housing developments — and our costs will actually increase in the long run."

Mike O'Brien, vice president of produce, Schnuck Markets, Inc., the 100-plus-store chain headquartered in St. Louis, MO, notes, "These are

> very serious times. We have some major issues right now when it comes to selling fresh produce. It is not business as usual. If we, as business people, think we can operate as we did in the past, we may not be in business tomorrow. This goes for the entire supply chain."

On the grower side, Gray says, "We will be searching for ways to provide value, meaning, for example, lower-cost alternatives, smaller portions, pack sizes, and perhaps even lower grades of some items. Affordability will be the key."

- and our costs will actually increase in the long run." Dave Corsi

**Wegmans Food Markets** 

"As buyers, we cannot continue to

force costs down the supply chain. If

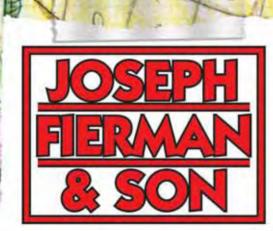
we do, one day we'll find our favorite

growers' fields are now strip-mall

parking lots or housing developments

Taking a more optimistic stance, Tom Stenzel, president and CEO of the United Fresh Produce Association (UFPA), Washington, D.C., notes, "I think we're probably near the bottom in terms of the economy. Over the past year, we've seen restaurants go through a tough time and retrench. We've seen great success at retail with low-price leaders and big-box stores that sell food at rock-bottom prices. These companies did well in a bad economy. I do sense that in 2009 we'll come out of it and pent-up consumer demand will drive re-growth in foodservice with new





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menu innovations as well as new product innovation at retail."

No matter what a new economy looks like, adds William Watson, executive director of the National Mango Board, Orlando, FL, "We're in a good business because people have to eat. For every change, there is good and bad. Media tell us the downside — it's up to us to identify the opportunities."

#### 2. RISING FOOD COSTS AND CONSUMERS' RESPONSE

The Consumer Price Index for all food is forecast to increase an average of 5 to 6 percent in 2008, according to the U.S. Department of Agriculture's (USDA) Economic Research Service (ERS), with an additional 4 to 5 percent increase forecast in 2009. Price increases for fresh produce are on par, with a 5.5 percent rise in 2008 and further 3.5 to 4.5 percent increase forecast in 2009.

"Our costs have increased dramatically this past year and these costs have to be passed on to the customer, says Schnuck's O'Brien. "That means higher retails. Higher retails mean demand goes down. The fact that consumers are also paying more for gas means they have less money to spend on produce so that compounds the problem." [EDITOR'S NOTE: This interview was done before November's swift and precipitous drop in gasoline prices.]

Will Wedge, director of produce and floral for Hannaford Supermarkets, the 150-plusstore chain headquartered in Scarborough, ME, agrees, saying, "We sold far less asparagus at Easter, for example, than we traditionally have in the past. The challenge will be figuring out the price threshold for each commodity in 2009 and at the same time trying to anticipate changes in consumer buying habits."

The Perishables Group, an independent consulting firm based in W. Dundee, IL, has looked at how consumers are responding to high food prices, reports Steve Lutz, executive vice president. "We've seen a greater emphasis on consumers searching out short-term value or trade-down options that stretch their dollar further. For example, they may go into the store expecting to buy apples and purchase grapes instead if they find grapes provide a better value that week. This means a greater emphasis on impulse purchases, especially around promoted and seasonal items. We tend to think impulse purchases are incremental and high price, but we're seeing the flip side of this now."

"Consumers are becoming smarter shoppers because of the economy," notes Dan'l Mackey Almy, president and managing partner of DMA Solutions, Inc., a marketing and business development company based in Irving, TX. "For example, they're buying smaller portions, shopping more frequently for fresh items and buying more bulk produce. They're managing their money and purchases better."

Consumers are shopping more by list, says Howard Nager, vice president of marketing for Domex Superfresh Growers, Yakima, WA. "They are also looking more closely at ads and are willing to visit a couple of stores for the best deals. Some produce items may become discretionary as consumers try to best target their dollars."

Marcia Mogelonsky, senior research analyst

"It's bad enough that consumers think our product is too expensive, but the thought that produce will make us sick will not help in our efforts to sell more produce to improve consumers' health."

> — Mike O'Brien Schnuck Markets, Inc.

for the Mintel International Group Ltd., a consumer, media and market research company based in Chicago, IL, adds, "There may even be a return to traditional ways. For example, canning those fresh, local tomatoes instead of buying the more expensive imported Italian canned tomatoes. Americans like to eat well, but most consumers now find they can't splurge on everything."

On the foodservice side, says Grant Hunt, president of Grant J. Hunt Company, Oakland, CA, "Some consumers are not necessarily eating out less but instead making value-based choices when they do. For example, Applebee's has introduced its three-course classics or a bargain package with three courses for one price to entice these customers."

To keep consumers buying produce, says Kathy Means, PMA vice president of industry issues, "We need to position produce as a solution — that is, as a meal extender at home, lower plate cost in restaurants and improved nutrition for consumers in general."

#### 3. FOOD SAFETY ON THE FRONT BURNER

Safety of our food supply will still be a major issue in 2009. "It's bad enough that consumers think our product is too expensive, but the thought that produce will make us sick will not help in our efforts to sell more produce to improve consumers' health," O'Brien says. "The industry is working hard to fix these problems and ensure our produce is safe. We have to continue this effort."

Fixing the food-safety problem isn't simply about establishing a program, adds Wegmans' Corsi. "It is about instilling a company-wide food-safety culture. PMA's new chief science officer Bob Whitaker is helping to educate everyone in the supply chain and also helping regulators understand how our business works."

There will be more government scrutiny, says PMA's Silbermann. "If after 20 or more years of deregulation the treasury department is buying banks, what chances do you think produce has of being left out of this rising tide? I think assuring a safe food supply is an appropriate regulatory role of the federal government."

Mike Stuart, president of the Florida Fruit and Vegetable Association (FFVA), Maitland, FL, agrees and says, "I do see more effort to consolidate regulations at the federal level rather than at the state or local level. The groundwork for this will be laid in 2009."

To this end, says Corsi, "PMA is enhancing its advocacy role in Washington, D.C. We've already had one meeting with the Food and Drug Administration [FDA] and plan to have more to ensure they make better use of industry resources and knowledge to speed their food-safety investigations in the future."

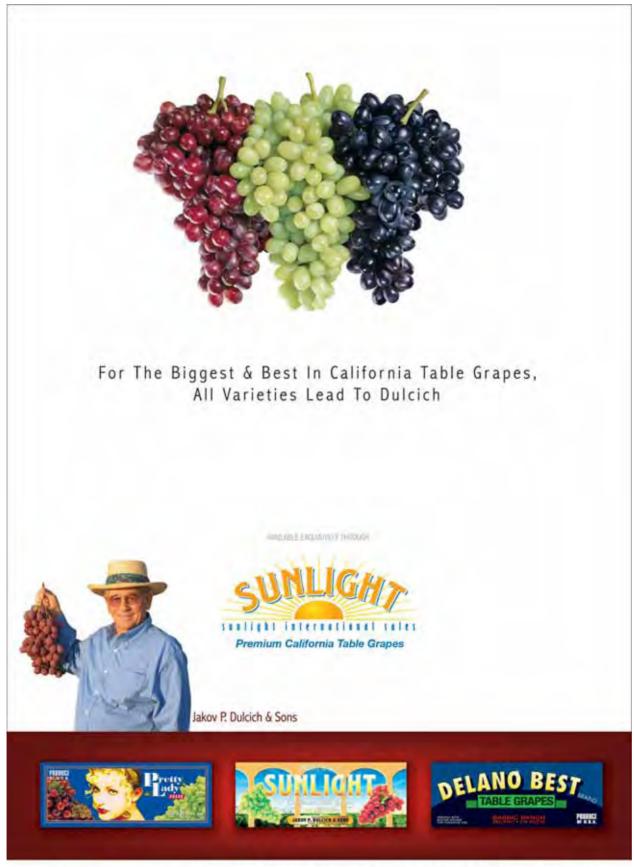
Greater efficiencies in identifying a foodsafety outbreak and pinpointing a cause are crucial, says Jim Hertel, managing partner at Willard Bishop Consulting Ltd., Barrington, IL. "Efforts aimed at a quick resolution to the problem to restore consumer confidence and purchases are key."

If this doesn't happen, according to Lutz, "We anticipate the response will become even more swift and painful. For example, retailers will simply sweep implicated products off the shelves. Consumers will throw them out and not buy them again. We've seen this happen to some extent in the past. One year after the E. coli outbreak, spinach sales were still down 20 percent." The second tier response "is that consumers will push for more packaged goods. This helps with contamination and traceability. The third tier is a greater emphasis on the produce-supply chain."

In the near future, says United's Stenzel, "I think we'll see a tight alignment of the supply chain. For example, I foresee retailers having maybe three to five suppliers, not 25, for a certain commodity and these suppliers will be vetted for their food-safety certifications before negotiations on price and quality begin."

Food safety must be a global effort, stresses Chris Nelson, president and CEO, MIXTEC Group, an executive search firm serving the food and produce industry based in Pasadena, CA. "The produce industry today is global and we need to create a level playing field."

Jesse Driskill, president of the Fresh Produce Association of the Americas (FPAA), Nogales, AZ, adds, "I see legislation enacted by the end of next year to put everyone on the same playing field as far as food-safety regulations."



For more information contact Nick Dulcich, George Galloway, or Bert Boyd at 661,792,6360 www.Dulcich.com

However, too many or too strict regulations could have the adverse effect of curtailing trade. Hunt of Grant J. Hunt says, "Regulations in Europe right now are so onerous and expensive that many companies think, 'Is it worth it?' We have to avoid that backlash."

DMA's Almy notes "ongoing communication regarding food safety, not just when there's a crisis," is needed on the food-safety front. "We have one of the safest food supplies in the world and we need to get that story out."

Wegmans' Corsi agrees and adds, "PMA is training industry leaders in crisis communications, so that they can provide a face to the industry to the public; and helping to develop consistent messaging for industry-wide use, so our many voices are speaking consistently."

#### 4. TRACEABILITY THROUGHOUT THE SUPPLY CHAIN

Traceability, stresses Wegmans' Corsi, "is a key component of a food-safety culture."

MIXTEC's Nelson agrees and adds, "Trace-ability, at the item level, straight back to the exact field is needed. This data and technology is available today."

Last year, PMA, UFPA and the Ottawa, ONbased Canadian Produce Marketing Association (CPMA) formed a joint Produce Traceability Initiative to drive broad adoption of consistent traceability best practices throughout the produce supply chain.

"The action plan of the Produce Traceability Initiative was recently completed," explains Corsi. "It provides a road map to enhance our existing internal — company-specific — traceability capability and to move us to external — supply-chain-wide — electronic traceability."

Consumer confidence in the safety of fresh produce must be rebuilt "and traceability is the driver," notes Ron Lemaire, former CPMA executive vice president and director of marketing.

#### **5**. BOOSTING CONSUMPTION

The industry has to find a way to boost fruit and vegetable consumption, according to Tom Lovelace, executive vice president of Columbia, SC-based McEntire Produce and UFPA chairman of the board. "Fortunately, the 2008 Farm Bill passed and we can look forward to its implementation in 2009. The fresh fruit and vegetable snack program in schools and fresh produce now added to the WIC [The Special Supplemental Nutrition Program for Women, Infants, and Children] food package are wonderful ways to educate a whole new generation of consumers."

Nelson also views the 2008 Farm Bill as a positive. "I think we'll see provisions in the Farm Bill make both an immediate and long-term impact on consumption and ultimately lead to a change in eating habits. That's signifi-

cant in light of today's childhood obesity crisis."

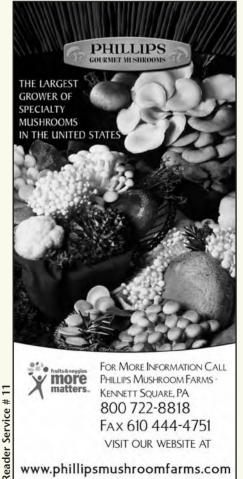
The government's continued emphasis on nutrition "offers third-party credibility and that positively impacts our product," notes Seth Pemsler, vice president of retail, Idaho Potato Commission (IPC), Eagle, ID,

Health and wellness will continue to provide opportunities for the industry to market its produce, relates NMB's Watson. "I foresee this more in foodservice than retail. Not just listing a commodity's name and what it provides, but a chance to demonstrate our creative capabilities because there isn't a one-size-fits-all approach. I think there will be smaller guerrilla marketing techniques using the Internet or targeted marketing based on specific health issues. This is such a positive piece for our industry to play on right now."

Harry Balzer, president, NPD Group, Inc., a global market research firm based in Port Washington, NY, takes this concept a step further. "I think the trend for next year is about what we can add to our diet for good health rather than what should be eliminated. Fresh produce offers the advantage for what it adds."

To encourage greater produce consumption, says Duda's Gray, "We have to continue to bring a higher level of consumer interest to the business of fresh-food sales in all venues. We need to use seasonality — peak appearance, abundance and flavor — as a tactic. We





should explore and add exotic tastes and looks if we can. We're dangerously close in retail to 'stack it high and sell it cheap' and competing primarily on price. If price is all we are about, we're doomed."

Some grower/shippers are infusing excitement into the produce department by introducing new varieties. "You see it today with personal-sized watermelon and lots of 'baby' items," explains Pemsler. "For us, it's hot products such as fingerlings and creamers. This abundance doesn't replace traditional items but expands the choices for consumers."

At the same time, the industry is experiencing supply-and-demand issues, says Ron McCormick, vice president and divisional merchandise manager for produce and floral, Walmart Stores, Inc., the 3500-plus-store chain based in Bentonville, AR. "Due to a variety of reasons, we are currently seeing for one of the first times in decades when a number of major fresh commodities in the United States are not vielding far more product than consumer demand. Several major commodities such as apples and potatoes have actually had periods of significant shortages. The extended period of poor exchange rates on the dollar has disrupted normal channels of distribution. Throughout 2009, we will see the supply chain adjust and react to this marketplace without chronic overproduction and supply chains in flux, and the resulting retail inflation."

#### 6. THE SUSTAINABILITY ISSUE

As weather, fluctuating gasoline costs and popular media continue to bring home awareness of global warming and the affects of lifestyle on the environment, "Sustainability will drive more consumer decisions," says McCormick. "We will see increased demand for product grown and produced in responsible and sustainable ways, and packaged in containers made from renewable resources. In the customers' mind, sustainability, food safety, food security and where their food comes from will all be tied up in the same package."

Joe Pawlak, vice president of Technomic, Inc., a food industry consulting and research firm based in Chicago, IL, echoes that assertion. "Even though the economy is down, consumers still want corporate responsibility. That's why, for example, some restaurants don't serve bottled water, only tap. Or they print 'We use biodegradable products' or 'local suppliers' on their menus. In a way, sustainability has become a way for some businesses to differentiate themselves."

According to FFVA's Stuart, sustainability "is different to different people — social, environmental and, if you own a business, profitable. You can't have these things in isolation. They are three legs of the same stool."

"To be truly sustainable in industry is to tie

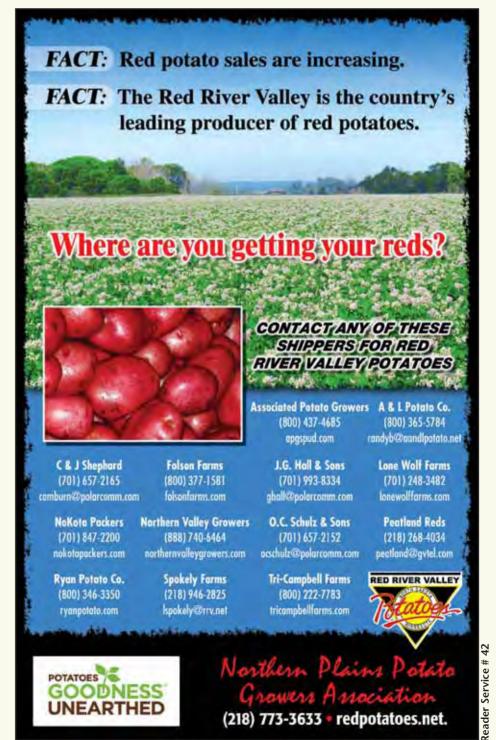
the high cost of business with the sustainability movement," PMA's Silbermann adds. "This requires a top-to-bottom re-examination and fundamentally impacts how the produce supply chain is created. For example, the industry is now highly centralized. Small frequent deliveries are the norm. We need to think about packaging in a different way. There are tremendous cost-saving opportunities. True sustainability adds to the bottom line."

A return on investment can be had "not just in reducing operational costs, such as water/energy conservation, land preservation, transitioning to biofuels and finding alternative growing regions to reduce dependency on fossil fuels — which also taps into the 'locavore' movement — but also in building relationships with consumers who want to hear our story and establish connections with us, whether we are across the state or across the country or world," says Wegmans' Corsi.

This communication, according to DMA's Almy, "needs to be less greenwashing and more fact-based."

#### 7. LOCALLY GROWN, GLOBALLY GROWN

Locally grown is now the gold standard,



notes Melissa Abbott, senior trends spotter and analyst for The Hartman Group Inc., a consulting and market research firm based in Bellevue, WA. "Organic has fallen below local. That's because local has so many adjectives around it — sustainable, fresh, food miles and more nutrition. All of these are positive points to consumers. You can just feel the energy around the term."

Jan DeLyser, vice president of merchandising for the California Avocado Commission (CAC), Irvine, CA, concurs, "Consumers have a newfound infatuation with farmers, what we call 'farmer chic' or connecting a face with the place their food is grown. This was the basis of our 'Hand Grown in California' advertising campaign held earlier this year."

Hannaford's Wedge has seen growing consumer demand for locally grown produce. "We have over 220 local growers we buy from for our Close to Home program. However, since we are in the Northeast and have a short window of availability, it forces us to look for other sources. In doing so, for example, we discovered a broccoli deal available out of Florida. This is three days closer than sourced out of California and less expensive in freight. I can pass on this competitive price to customers."

In the future, says Willard Bishop's Hertel, "We'll need a lot more clarity on the definition of locally grown. Is it sourced from within 50 miles? The same state? There's more smoke than fire and it's a topic we have to come to grips with. For example, how does locally grown fit in standard merchandising practices? There are few places other than California that have locally grown strawberries available for Mother's Day. The question is then, how do we manage merchandising promotions with the reality of produce today?"

Local, adds CPMA's Lemaire, "isn't the only game in town given we need a year-round food supply."

Hannaford's Wedge agrees. "I remember my grandmother telling me of the days when she could only buy navel oranges in season. Now, customers expect navels 24/7 and the job of the retailer is to find them. I enjoy the challenge of finding a commodity any time of the year and on any continent. At the same time, consumers today expect their produce to be available, safe, high quality and at a constant price whether it comes to the store on the back of a pickup truck or by train, plane or vessel."

#### 8. NEW PRODUCT DEVELOPMENT

New products that tempt consumers to eat produce, and eat more produce, will be indemand both at retail and foodservice.

According to The Hartman Group's Abbott, "Snack bars that say they contain a serving or two of produce have been popular, but they're a tough concept for most consumers to get their heads around. Instead, juices labeled, for example, that they provide two apples, three plums and 14 grapes per serving, are something consumers can really understand. This type of simplicity sells."

However, she adds, "Consumers are often wary of trying a new produce item if they don't know what it is, how to pick it and how to use it. What's exciting is retailers such as Trader Joe's [based in Monrovia, CA] bringing in products such as freeze dried mangosteen, gin-

"Due to a variety of reasons, we are currently seeing for one of the first times in decades when a number of major fresh commodities in the United States are not yielding far more product than consumer demand."

> Ron McCormick Walmart Stores, Inc.

ger chips and goji berries incorporated in a trail mix. These products are ready-to-eat and a low-risk purchase for the consumer. They break the barrier and may carry over to the produce department where consumers may then be tempted to try the fresh form."

On the foodservice side, "Restaurants will continue to struggle with sales due to the economy," Technomic's Pawlak says. "This will lead to lots of product development in that operators will look for ways to make it exciting for customers and give them a reason to spend their precious dollars. For example, McDonald's [based in Oak Brook, IL] has introduced a chicken breakfast sandwich. They've taken chicken left over from other day parts and introduced it to breakfast to drive traffic and increase same-store sales. This type of product development requires no new equipment, current suppliers are the same and maybe just one or two new ingredients are required."

Duda's Gray agrees, saying the current economic climate "does present opportunities for fresh produce to compete with or displace protein as a lower cost and effectively tasty and filling alternative in foodservice."

#### 9. THE POWER OF FRESH AND THE DRIVE FOR CONVENIENCE

Fresh is the mantra of the day, says The Hartman Group's Abbott, "or as close to fresh as possible."

Consumers may want fresh foods, says NPD Group's Balzer, "but they don't want the hassle. By hassle, I mean the need to shop frequently, schedule around using products so they don't go bad, the preparation — all the things that don't make fresh foods shelf stable. The big question will be, 'Will consumer's buy their fresh foods out or will they look to foodservice to deliver to them at home?""

The "Power of Fresh", as United's Stenzel terms it, has manifest itself in a few ways. "For example, [Pleasanton, CA-based] Safeway introduced its lifestyle format, Ingredients for Life, as part of a re-positioning that has proved hugely successful. [Cheshunt, England-based] Tesco opened in the United States last year with its Fresh & Easy stores. [Cincinnati, OHbased Kroger continues to expand its Fresh Fare concept," he explains. "There's also becoming a real blurring between traditional retailers and convenience stores. We haven't thought of C-stores as offering fresh produce, but now that's part of the landscape."

Convenience won't go away as a huge growth area in our business, predicts Walmart's McCormick. "The frozen-food industry is exploding in the use of steamable and microwavable produce that can be prepared in five to six minutes, often including delicious sauces and flavors. Unlike the frozen blocks of decades ago, these fruits and vegetable often retain their flavor, nutrients, and appearance as well or better than fresh. Some speculate that a difficult economy will retard the growth. I predict it will do just the opposite. Increasingly people want to eat more healthfully and feel good about their foods. People are still timestarved, the economy will send stay-at-home moms back into the workforce and the pressure will only grow. As more people try to address tight money by eating at home, they will be even more interested in buying convenient items, and our industry will need to respond."

#### ${f 10}$ . Immigration and Labor

Immigration, says FFVA's Stuart, "is a massive cloud over our industry. It's a highly complex topic and the nation is so polarized, but we do need a Congress that is willing and has the courage to pass this legislation."

The labor issue reaches many levels, notes Domex's Nager. "On the grower side, there needs to be an adequate labor force to pick and pack product. On the retail side, availability, training and retaining are needed."

Recruiting, retention and development of industry talent is a trend that will continue, according to Wegmans' Corsi. "It's critical in this very competitive world we live in to attract and retain the best talent for our industry. Wegmans has the belief that we must take care of our people first and ultimately our people will — and they do — provide incredible service to our customers. Wegmans exemplifies this through scholarship programs, intern programs, training programs and many others."

## Marketing For A Good Cause (Even In Bad Times) Part 1

As Cause Marketing becomes increasingly popular, suppliers and retailers can use it as an additional marketing tool as well as an opportunity to do something good.

BY IODEAN ROBBINS

This is the first part of a 2-part series. Part 2 will cover the Pink Ribbon Produce Program, UNICEF and other socially responsible causes.

Cause marketing, also known as cause branding or cause-related marketing, is a business strategy that helps an organization stand for a social issue to gain significant bottom-line and social impacts while making an emotional and relevant connection to stakeholders.

> "It is not a company's overall corporate responsibility efforts or even its philanthropy," explains Sarah Kerkian, senior insights associate for Cone, a strategy and communications agency in Boston, MA. "Rather it's one strategy where companies can bring their commitment to social issues to life by tapping marketing resources and channels."

> As companies ramp up cause marketing efforts, the benefits for all continue to grow. "Supermarket produce executives, like other marketers, have great opportunities to engage consumers with cause marketing impacting sales and, in an era of

recalls, creating a more positive image for the produce department," suggests David Hessekiel, president of the Cause Marketing Forum, Inc., Rye, NY. "Since eating fresh produce has so many positive health associations and providing fresh produce to the hungry is an urgent need, it makes cause marketing particularly fertile ground for this industry."

"Cause marketing is a great way for retailers to provide a positive experience for shoppers and the purchases they make," agrees Monique McLaws, marketing manager for Dulcinea Farms in Ladera Ranch, CA. "These programs typically help increase traffic and product demand. Produce departments are ideal for promoting charitable and social causes since produce represents a healthful lifestyle."

"We encourage retailers to actively support cause marketing in produce because we believe it is a great way to help important causes while leading to increased consumption of fruits and vegetables," adds Heidi McIntyre, executive director of Produce for Kids (PFK), Orlando, FL.

Cause marketing offers another way for retailers and suppliers to stay competitive. "Every retailer competes for the highly sought-after consumer," says Kerkian. "To secure a competitive advantage, we've seen big-box retailers such as Wal-Mart [Bentonville, AR], Target [Minneapolis, MN], Sears [Hoffman Estates, IL], Home Depot [Atlanta, GA] and Lowe's [Mooresville, NC] all recognize the power of communicating their commitments to social issues, particularly in the communities in which they operate. For many, cause marketing has been a key strategy to secure a license to operate, to recruit employees and to gain competitive differentiation. Retailers, in particular, have a huge asset to leverage - the millions of consumers who walk through their doors, as well as their suppliers. When retailers integrate these two things, they can raise funds and awareness for causes unlike, really, any other industry. For example, Wal-Mart raised over \$35



#### **The Programs**

he following worthy causes are discussed in Part 1 of Marketing For A Good Cause (Even In Bad Times). Part 2. which will appear in January, will cover the Fisher House Foundation, Suan G. Komen Breast Cancer Foundation (and its Pink Ribbon programs), Special Oympics and UNICEF.

American Diabetes Association. Alexandria, VA: The American Diabetes Association is leading the fight against the deadly consequences of diabetes and fighting for those affected by the disease. The Association funds research to prevent, cure and manage diabetes, delivers services to hundreds of communities, provides objective and credible information, and gives voice to those denied their rights because of diabetes. Founded in 1940, its mission is to prevent and cure diabetes and to improve the lives of all people affected by diabetes

American Heart Association, Dallas, TX: Founded in 1924, the American Heart Association today is the nation's oldest and largest voluntary health organization dedicated to building more healthful lives, free of heart disease and stroke. These diseases,

America's No. 1 and No. 3 killers, and all other cardiovascular diseases claim more than 870,000 lives a year. In fiscal year 2005-06, the Association invested more than \$543 million in research, professional and public education, advocacy and community service programs to help all Americans live longer, more healthful lives.

Children's Miracle Network, Salt Lake City, UT: These non-profit hospitals provide the finest care, research and community outreach to help kids of every age and background overcome every imaginable disease and injury — including asthma, broken bones, cancer, sickle cell anemia, pediatric AIDS, muscular dystrophy and serious injuries.

PBS Kids, Arlington, VA: This group provides educational initiatives and programming to educate kids about healthful eating. In response to the increased number of children facing risks from childhood obesity, PBS Kids kicked off a children's health initiative to strengthen existing health-related resources and build a cohesive framework for public media to encourage kids and families to make more healthful lifestyle choices. pb

million for the Children's Miracle Network [Salt Lake City, UT] in just a few weeks."

#### STUDY PROVES SENTIMENT

As the term cause marketing reaches its 25th anniversary, the 2008 Cone/Duke University Behavioral Cause Study released by Cone and Duke University's Fugua School of Business in Durham, NC, confirms it can exponentially increase sales, for one particular product as much as 74 percent, resulting in millions of dollars in potential revenue for brands. "The study validates for the first time how cause-related marketing can significantly drive actual consumer choice," states Cone's Kerkian.

To complement the behavioral study, Cone conducted the 2008 Cause Evolution Study to better identify what drove substantial product sales for the brands in the Cone/Duke study. The results found consumers consider the following factors to be important when deciding to support a company's cause efforts: 84 percent want to select their own cause, 83 percent say personal relevance is key, 80 percent believe the specific nonprofit associated with the campaign matters, 77 percent say practical incentives for involvement, such as saving money or time, are important, and 65 percent find emotional incentives for involvement important.

While the studies were done on grocery items, Cone feels the results of both studies are applicable to produce. "Absolutely, we believe they would be translated to perishables," reports Kerkian. "The best examples include the success of programs such as Box Tops for Education and Yoplait Save Lids to Save Lives. These have been around for a decade or longer, have extremely high awareness among their intended audiences and have proven key for the brands in building lovaltv."

The study also found 85 percent of consumers report they have a more positive image of a company or product when the product or company supports a cause the consumer believes in. The study further found 79 percent of consumers reported they are likely to change from one brand to another, given similar price and quality, if the other brand is associated with a good cause. The study found 38 percent have bought a product or service because it was associated with a cause or issue over the past 12 months, up from 20 percent in 1993.

The leading issues Americans want com-

panies to address in their cause programs are consistent with growing domestic and global needs. Kerkian explains, "The issues identified include education, economic development, health and disease, access to clean water, environment, disaster relief and hunger."

#### **HEALTH-ORIENTED CAUSES**

Teaming up with health- or disease-oriented programs fits well with produce. "If we can create greater awareness of proper eating habits, it can help prevent illness in the long term," states Bud Floyd, vice president for C.H. Robinson Worldwide, Inc., Eden Prairie, MN. "We try to look at the

> "To date, Produce for Kids has raised nearly \$2 million for these important nonprofit organizations."

> > — Heidi McIntyre **Produce for Kids**

things we think are most important, such as breast cancer and juvenile diabetes."

During PFK fund-raising campaigns every spring and fall, participating sponsors make a per-unit donation for each product shipped into participating retailers' markets. "One hundred percent of these donations benefit the local Children's Miracle Network Hospitals and PBS Kids," says McIntyre. "We chose these causes because we have a passion for helping kids. We're proud of our initiatives to both raise funds for hospitalized kids and educate kids on the benefits of healthful eating with more fruits and vegetables. To date, Produce for Kids has raised nearly \$2 million for these important nonprofit organizations."

The Oppenheimer Group, Vancouver, BC, Canada, has teamed up with the AmeriNomination Made possible by a grant from:





#### CALLING ALL RETAIL AND FOODSERVICE EXECUTIVES





As a result of a special grant provided by Mann Packing Company and Grimmway Farms, funds have been secured to allow four select individuals (two from retail and two from the foodservice operator segment) to receive all inclusive scholarships to attend the 2009 PMA/Cornell/PRODUCE BUSINESS Leadership Symposium in Dallas, TX, January 14-16, 2009.

The goal of the program is to allow gifted participants from retail and foodservice to engage with their peers from other industry sectors and immerse themselves in a program that goes beyond the produce trade to encourage strategic thinking and a broader perspective on business.

If you would like to be nominated or if you would like to nominate someone else, please fill out and fax this form to 561-994-1610 or visit **www.producebusiness.com** and complete the short form online.

For more information, please contact Ken Whitacre, publisher, at KWhitacre@phoenixmedianet.com or call 561-994-1118, ext 101.

Nomination Form - For Retail and Foodservice Execs Only			
First Name	Last Name		
Company			
Address			
City		Zip	
Phone	Fax		
E-mail			
	the PMA Leadership Symposium		
Please list some of this candidate's business ar	nd personal accomplishments you think will qualify	y him or her for this scholarship	
Please write any extra information on a separate	e sheet of paper.	Fax Back to 561-994-1610	

can Diabetes Association (ADA), Alexandria, VA. "Our aim was to spread the word about appropriate serving sizes and to encourage people to feel comfortable with eating fruit in moderation as a daily habit, while also enjoying a wide range of vegetables in their regular diet," says Karin Gardner, Oppenheimer communications manager. "We found many people with diabetes had the misconception they should not eat fruit because of sugar level concerns. However, the ADA's Diabetes Food Pyramid suggests people with diabetes should consume two to four servings of fruits and three to five servings of vegetables daily."

The campaign, Join us in the Fight Against Diabetes, uses packaging, point-of-sale material and retail advertising to engage consumers. Gardner explains, "Packaging of such products as gold pineapple, Divemex and OriginO greenhouse-grown peppers,

tomatoes and cucumbers, and Mexican grapes, bore the campaign logo as well as diabetes-friendly information such as serving sizes and recipes. We developed a pamphlet as well as an innovative wheel made available to retailers and distributed to people with diabetes at the ADA Expos."

Additionally, Oppenheimer staff raised more than \$5,000 toward diabetes prevention by cycling (collectively) over 400 miles in ADA Tour de Cure events in Seattle and Los Angeles. According to Gardner, Oppenheimer fruits and vegetables were sampled at both cycling events.

California Giant Berry Farms, Watsonville, CA, has supported a national cycling team since 2000. "We chose cycling as the perfect fitness activity to support our healthful berries simply because it is an activity every consumer can relate to," says Cindy Jewell, director of marketing. "At a

race, spectators meet our team, taste our berries and are exposed to our brand. Additionally, our team visits retail stores in cities where they compete and are stopped by consumers in the produce department providing words of encouragement and support for our brand since we support the sport."

In early 2008, Fresh Express, Salinas, CA, built on its continued support of the Dallas, TX-based American Heart Association's (AHA) Go Red program by contributing 10¢ from each specially marked Salad Blends and Chiquita Bites during the month of February. Specially designed package art as well as themed shelf-talkers, stanchion signs and hi-lo channel enhancers created a callout to consumers in the produce aisle.

"As a company, doing 'good things' such as contributing to raising awareness around Breast Cancer through Komen [the Susan G. Komen Foundation in Dallas, TX, will be

#### **FairTrade Growing Business for Retailers**

n an increasingly competitive economic environment, the FairTrade label offers retailers a way to differentiate products and provide perceived value to their customers. "This is an emerging trend in the produce field," says Rafael Goldberg, CEO of Interrupcion FairTrade in Brooklyn, NY, a producer and importer of FairTrade blueberries, cherries, apples and pears. "It's increasingly important as consumers get more and more interested in where products are from and who made them."

"Fair Trade Certified is an excellent causemarketing initiative for many companies because it empowers farmers to lift themselves from poverty and empowers consumers to make ethical decisions about the products they buy," states Katie Barrow, public relations manager at TransFair USA in Oakland, CA. "Fair Trade has proven to be a valuable initiative for many companies. Fair Trade Certified products in the United States passed \$1 billion in 2007, and Fair Trade Certified is integral part in the Starbucks Shared Planet initiative, Whole Food's Whole Planet program and many more major corporate initiatives from companies big and small. These programs have been very well received by consumers and the media.

Turbana Corporation of Coral Gables, FL, markets Fair Trade bananas. "Fair Trade guarantees a fair price and quality-of-life improvement for the workers through a social premium fund," says Marion Tabard, marketing director, "In 2007, the total Fair Trade premium fund for Uniban farm workers was \$1.8 million. For 2008, it is estimated to be \$ 2.6 million. The Fair Trade auditors ensure these funds support social and economic development projects for the workers, their families and communities."

"We're seeing increasing interest in Fair-Trade products," relates Paul Kneeland, vice president of produce and floral for Kings Super Markets, Parsippany, NJ. Kings handles Fair Trade products in all its departments including produce and floral. "We did an ad for Fair Trade as well as a good job of informational demonstrations in the store and we've seen a great response."

"Right now we're at a time when people are interested in their food and where it comes from," agrees Mark Mulcahy, produce director for New Leaf Community Markets, a 6-store chain based in Santa Cruz, CA. "Green is a big deal now and people want to be doing the right thing and spending their dollars where they can feel good about it."

"In an article published by Produce Business [in December 2007], social responsibility is seen by consumers as a major issue facing the produce industry" explains Tabard. "When purchasing produce, consumers are more attracted to socially responsible products. FairTrade products definitely have a growing interest and acceptance with consumers and retailers can capitalize on it."

A little education can help consumers see the value of purchasing cause related products. Tabard reports, "In the case of Fair Trade Certified bananas versus conventional bananas, the price difference at retail is only 6-cents per pound, a fairly small price difference. For this difference consumers have the opportunity to improve the quality of life of banana workers and their families in the growing areas. This is a fairly small contribution, especially for bananas which are already one of the most affordable items in the produce department."

According to the FairTrade Labeling Organizations International (FLO), based in Bonn. Germany, consumer awareness of FairTrade grows 30 percent each year, and 50 percent of those aware of FairTrade purchase Fair-Trade, compared to just 30 percent purchase intent in organic. FLO further reports Fair-Trade Certified imports grow at an average annual rate of 50 percent and the retail value of FairTrade Certified products is nearly \$1 billion.

"We focus on the Value Through Values a company slogan portraying the value of goodwill| resulting when a retailer makes a commitment to this," relates Goldberg. "It has a new opportunity for merchandising and communicating a positive story. You're not marketing on the traditional areas of covered in depth in Part 2 in January] and heart disease through the American Heart Association's Go Red are a natural extension and we know it resonates with our target consumer," says Ed Romero, general manager, business management, Chiquita Brands North America, Cincinnati, OH.

#### **CUSTOMER REACTION**

Consumers show positive support for these efforts. "Well-conceived and -executed cause marketing can be an extremely effective strategy with consumers," says Hessekiel of the Cause Marketing Forum. "Attitudinal research for more than two decades has made it clear - price and quality being equal - how the overwhelming majority of consumers would prefer to purchase products from companies supporting causes they believe in. The behavioral research by Cone and Duke found exposure to causerelated messages can have a profound impact on sales."

"Our customers are socially responsible and they look at these types of things as a good thing and something they want to be a part of," relates Paul Kneeland, vice president of produce and floral for Kings Super Markets, Parsippany, NJ.

Suppliers report favorable consumer response through purchases and feedback. "The consumer response to Produce for Kids has been unbelievable," notes PFK's McIntyre. "In addition to having raised nearly \$2 million for our nonprofit partners since 2002, millions of consumers have visited our Web site and thousands of people have entered our contests each year."

"Consumers are voting for brands that make a charitable contribution with their wallets," says Chiquita's Romero. "Clearly it's good for us, but what a great thing it is to know that we are using our marketing dollars to bring some good into this world while benefiting from the brand halo in return."

#### HARD TIMES **DON'T HARDEN HEARTS**

The 2008 Cone Cause Evolution Study also revealed consumers continue to have high philanthropic expectations for companies struggling amid the current economic crisis. More than half (52 percent) of Americans feel companies should maintain their level of financial support of causes and nonprofit organizations. Another quarter (26 percent) expects companies to give even more.

"Consumers still expect it," says Cone's Kerkian. "There is a data point in the research showing consumers have the same or higher expectations of companies to give back during an economic downturn. And ultimately, when companies offer a way to

quality or price. The retailer is going to see a benefit if it can properly educate its consumers. This ties in well with things supermarkets do as far as being community members and focusing on health."

The FairTrade label may help retailers differentiate products and provide a perceived value in an era of increasing prices. "A lot of retailers ask me if in these tougher economic times, we can retail a produce item selling for 10¢ to 20¢ extra," states Goldberg. "Will their customers pay it? We're in the business of creating value for our consumers. If you can help them see the extra value, they will pay for it."

"We handle FairTrade because we feel it's the right thing to do," reports Mulcahy. "But it also helps in making people feel better about prices going up. The increase in price of conventional products has closed the gap somewhat with organic and Fair-Trade pricing. For an extra dime or 20¢, if they can get a FairTrade product, we see our customers responding."

"We currently sell four varieties of Fair-Trade coffee and are looking forward to selling FairTrade produce," reports Dorothy Shaver, RD, LD/N, corporate dietitian for Kroger Mid-Atlantic based in Roanoke, VA. "Our customers want to support a cause, and purchasing FairTrade items is an easy way to get the product they want for a good cause. We will be advertising the FairTrade items in the store. They will be complete with a sign and a description. We're working to educate our employees on FairTrade so they're ready to answer customer questions related to this topic."

FairTrade is a certified process, like organic, with specific social and production standards guaranteed for producers in developing countries. "These include fair wages, decent labor standards and treatment, and investment in a social premium where a percentage of sales is put into a fund," explains Goldberg. "Producers then collectively decide where to spend the money. Many times this is used for health, education or scholarship programs. Fair-Trade includes strict requirements for record keeping, water usage, pesticide usage and, in general, good agricultural practices."

"FairTrade guarantees a fair price and quality-of-life improvement for the workers through a social premium fund," adds Tabard. "This premium is invested for the benefit of the workers, their families and their communities. They receive access to housing, access to credit, education and community development. The impact from FairTrade Certified bananas can be seen in the total FairTrade premium available for farm workers, which in 2007 was around \$1.8 million and in 2008 it is estimated to be \$2.6 million."

FairTrade also helps develop linkage

between the supplier and retailer. "This is an opportunity for retailers to have a means by which to support growth in the area of production," reports Goldberg. "The relationship empowers producers to make better product and provides a consistent supply chain with lots of checks and balances. It's very good to know who your partners are and to make sure they're healthy enough to do the right thing as opposed to cutting corners and making mistakes."

"We work with the FairTrade products to ensure growers are compensated," says Kneeland. "We pay a bit of a premium but the money goes back to the growers and towns they support. It's another avenue to develop relationships with our suppliers."

Retailers are seeing increasing focus on FairTrade in the marketplace. "All our stores are almost 99 percent organic," reports Mulcahy. "But we'll feature FairTrade over organic when we can get it consistently. There is conventional grown FairTrade so someone who isn't carrying organic can still carry a FairTrade."

"FairTrade is certainly a hot social topic right now," according to Kneeland. "Organics continues to be hot and has a larger base of products and sales. As a trend, FairTrade is growing faster than organics right now but this is a percentage of sales. We still have a very strong organic customer and I believe people will buy fair trade and organic." **pb** 

#### **Suggestions For Success**

he 2008 Cause Evolution Study from Cone, Boston, MA, found 91 percent of Americans believe companies should tell them how they are supporting causes, but only 58 percent of Americans believe companies are providing enough details about their cause efforts. Here is some practical advice:

Marion Tabard, Turbana Corp., Coral Gables, FL: 'It's very important for retailers, in coordination with their suppliers, to implement a good merchandising program to educate their shoppers, inform them what the program is about, where their money

goes and how they help."

Paul Kneeland, Kings Supermarkets, Parsippany, NJ: "Information demos are very successful. Our Fair Trade representatives set up a table, hand out pamphlets and talk with our customers to educate them."

David Hessekiel, Cause Marketing Forum, Rye, NY: "First identify your goals. Do you want to attract more shoppers, sell more of a particular product, or cross-promote with another department in the store? Once you have a clear goal, then you can create a proper strategy and design a tactical program to get you there. "

integrate giving back through daily purchases, consumers will embrace this opportunity as they tighten their own purse strings."

"Even as belts tighten, those people who can afford to donate to the causes they believe in, or purchase products associated with them, will continue to do so," agrees Oppenheimer's Gardner. "In hard times, we look to family and community and do our best to take care of them. Contributing to meaningful causes is part of this."

"Despite the uncertain economy, we must continue to provide healthful food and value to today's consumer," says California Giant's Jewell. "We will do our best to maintain our strong messaging and let consumers know our products will be on the shelf every day providing, flavor, quality, safety and value for their dollar."





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# Ring In Sales During Chinese New Year

This annual celebration offers retailers the opportunity to market and sell produce popular in Asian cuisines.

BY JULIE COOK RAMIREZ

Come January and February, smart retailers will focus on the oriental New Year, which Americans often refer to as Chinese New Year.

The traditional start of the lunar new year, which is celebrated throughout the various cultures of Asia, fosters spending time with family and friends — and feasting on traditional foods.

New Year's feasts are heavily dependent on produce because of its symbolic meaning. For example, Buddha's hand (citron) represents good luck and good fortune while gai lan (Chinese broccoli) signifies youth and wealth. Other produce in heavy demand for Chinese New Year includes kumquats, longan, bok choy, Chinese napa cabbage, ginger root, snow peas, sugar-snap peas, bean sprouts and Korean pears. Non-produce items, such as won ton and egg roll wrappers and fortune cookies, are also merchandised in the produce department.

"The Asian community eats a lot of fresh vegetables and incorporates them into just about everything they cook," explains Jesse Perez, sales manager, Pismo-Oceano Vegetable Exchange (POVE), Oceano. CA. "Chinese New Year is a tremendous opportunity to promote Asian vegetables."

Dictated by the lunar calendar, Chinese New Year can fall anytime during a 4-week period. With enough foresight, it's not difficult for retailers to plan for the holiday, notes Perez, recommending retailers promote it ahead of time so non-Asian consumers will know when the new year will occur.

In 2009, Chinese New Year, which begins the Year of the Ox, falls on Jan. 26, but previous Chinese New Years have fallen as late as mid-February. That can pose a challenge for retailers because of the holiday's proximity to Valentine's Day and Super Bowl Sunday. "The fact that Chinese New Year is positioned between two of the biggest retail promotional opportunities does cause challenges," notes Maria Brous, director of media and community relations, Publix Super Markets, Inc., a Lakeland, FL-based chain with 941 stores. "Many times, display space and promotions are already spoken for when big events are approaching."

To help retailers draw attention to Asian produce, Melissa's/World Variety Produce, Inc., Vernon, CA, provides a Chinese New Year kit with shelf strips, danglers and recipe tear pads. The goal is to boost sales of Asian produce around Chinese New Year and to leverage the holiday as a spring-board to increase usage of Asian produce year-round, particularly among non-core or non-Asian consumers. "We use the holiday to help retailers get an idea of how Asian produce will fare in their produce department by really promoting it during the weeks leading up to Chinese New Year and then thereafter to see the potential of extending the variety of Asian offerings in their store," reports Robert Schueller, director of public relations.



#### WANING WON TONS

While Schueller remains enthusiastic about Chinese New Year, many suppliers and retailers report that interest in the holiday seems to be waning.

Mike Carter, senior category manager, Winn-Dixie Stores, Inc., the 521-store chain based in Jacksonville, FL, blames the decline on retailers' increased efforts to gear up for Super Bowl Sunday, leaving less space and ad dollars for Chinese New Year promotions.

According to Susan Bucher, director of sales, Morinaga Nutritional Foods, Inc., Torrance, CA, consumers began losing interest in Chinese New Year about four years ago.

Andy Wilson, sales manager, Ben-Bud Growers, Inc., Boca Raton, FL, also feels interest is waning, "It baffles me because that segment of the population is increasing. The only thing I can think of is maybe Chinese-born consumers become more mainstream the longer they are here."

Interest remains strong for the clientele of Joe Tam, Chinese-born co-owner of Farmer Joe's Marketplace, an Oakland, CAbased chain with two stores, although he concedes that younger, American-born Asians don't care nearly as much about the holiday as earlier generations do.

Each year, Tam coordinates an elaborate Chinese New Year celebration in his stores complete with a dancing dragon, gongs and drums. He bolsters his selection of Chinese vegetables just prior to the holiday to provide his consumers with convenience so "They don't have to go to Chinatown."

Tam's non-Asian consumers enjoy the spectacle as well and often take a few Asian vegetables home as a result of the celebration. He credits the San Francisco Bay Area Chinese restaurants with boosting interest in Asian food, which consumers then want to try and replicate at home.

Retailers have an opportunity to promote Asian produce using Chinese New Year as a springboard, states Karen Caplan, president and CEO, Frieda's, Inc., Los Alamitos, CA. "During the past 10 years, there's been a huge boost in the awareness of Chinese cooking. Today, people don't think it's odd to stir-fry vegetables or serve won tons for hors d'oeuvres in the middle of America in January or February. This is a great opportunity."

George Kazantzis, produce buyer, Nature's Best Fruit Market, a single-store operation in Westmont, IL, seizes that opportunity by bringing in a number of Asian produce items, mainly root vegetables, that he doesn't ordinarily stock at other times of the year. Happy Chinese New Year signs welcome his large number of Asian consumers to the department and a handful of strong-selling Asian items are on promotion that week.

Many retailers that don't have a large Asian clientele view Chinese New Year as a novelty, according to POVE's Perez. He feels the holiday can also be used to boost sales of non-Asian produce. "While you're there picking up some Napa, how about a regular

#### **Tofu Trends**

ong associated with Asian cuisine, tofu has successfully crossed into the mainstream. Usually consisting of nothing more than soybean curd and water, tofu acts like a sponge, absorbing the flavors of surrounding ingredients. Unfortunately, some of the uninitiated mistakenly try tofu right out of the package - an experience that can turn them off for life.

"For most Americans, when you say the word tofu, a disgusted look comes across their face because tofu is not a product you eat straight out of the package," notes Robert Schueller, director of public relations, Melissa's/World Variety Produce, Inc., Los Angels, CA. "It's something you have to incorporate into meals."

Andrew Yap, president, Leasa Industries, Inc., Miami, FL, says American consumers often assume they're eating chicken when tofu is prepared properly - a frequent comment heard at in-store demos.

Publix Super Markets, Inc., Lakeland,

FL, uses in-store sampling and educational demos to educate consumers on how to properly use tofu.

Fresh tofu is usually sold in the produce department, positioning Yap prefers.

Tofu is available in soft, firm and extra firm at Jacksonville, FL-based Winn-Dixie Stores, Inc. Mike Carter, senior category manager, who says tofu sales have more than doubled over the past year, credits store remodeling with some of that increase. Overall, he notes, tofu interest is on the rise. The firm variety remains the top seller, although Carter reports strong sales of tofu with incorporated vegetables.

New varieties of tofu are the focus of efforts for Leasa, where veggie tofu, cilantro tofu and spicy tofu have all proven popular. The company plans to roll out Hispanic-flavored tofus in an effort to bridge the gap between Asian and Latin foods. "That's the way trends are moving," Yap adds. pb

head of lettuce or some Romaine?"

#### AMERICAN APATHY

While retailers with a large Asian clientele go out of their way to promote Chinese New Year, many mainstream retailers do very little — if anything — to commemorate the holiday. Winn-Dixie's Carter says Chinese New Year is "not a big deal in our operating areas," although he sees the holiday as providing an opportunity "to promote some of the better items we would otherwise have a hard time selling." This coming Chinese New Year, he intends to dedicate more ad space to the holiday and boost usage of POS materials and recipes "if it makes sense."

Publix does not increase its selection of Asian produce for the Chinese New Year, notes Brous. However, the chain engages in a limited amount of promotional activity, including signage, POP and recipe cards as well as additional savings on Asian produce during the weeks leading up to the holiday.

Larry Damico, owner, Hyde Park Produce, a single-store supermarket in Chicago, IL, reports, "I don't do much for it."

This sentiment is echoed by Vince Mastromauro, produce/floral director, Sunset Foods, a 4-store chain based in Highland Park, IL. "It's not a big deal for us," he says.

Even in Seattle, which boasts a large Asian population, Ed Laster, produce specialist for Metropolitan Market, a Seattle,

WA-based chain with six stores, does little to promote the holiday. "I might have an item in my ad, but we don't really do too much with Chinese New Year. We don't advertise it to any degree. I don't promote it in-store to any degree. We really don't play it up at all."

Likewise, PCC Natural Markets, a Seattle, WA-based chain with nine stores, doesn't do anything to draw attention to Chinese New Year. "There just isn't any energy or effort, commitment or alignment of any product for that holiday," notes Joe Hardiman, produce merchandiser.

While it's always wise to make merchandising decisions based on demographics, it's important to make sure events such as Chinese New Year are recognized, even in stores with very few Asian consumers, says Frieda's Caplan. "If retailers have a largely Asian demographic, they can really blow it out and have a huge variety. Even if they don't have a big Asian clientele, they should still offer the basics such as ginger root, snow peas, sugar snap peas, napa and bok choy. Those are the lowest-risk items."

Successful Chinese New Year promotions take an integrated, store-wide approach, notes Melissa's Schueller. "It has to be a store-wide initiative in offering a full line of Asian products. Whether it's a green tea selection in the beverage aisle or noodles or rice or fish, it has to be implemented throughout the entire store concept."

## Pump Up Your **Super Bowl Promotions**

Score a sales touchdown with winning marketing and merchandising tactics.

BY PETER LAVERY

Super Bowl Sunday drives sales in the wake of the holiday season and provides opportunities for produce departments to stage storewide cross-merchandising efforts.

> Produce managers and suppliers work together to incorporate fresh produce items with prepared foods, value-added products and direct and indirect tie-ins. They cross-merchandise produce with chips and other snack foods, pizza fixings, beer, wine, grilling hardware and supplies, meats, dairy and deli products. The culmination of football season is rich in merchandising opportunities so it's critical

> > that retailers take full advan-

tage of this profitable event. "Super Bowl is all about the celebration," exclaims Candace Blackmoore, direcpressures of the economy weighing so heavily on the minds of consumers, it's a nice relief sometimes to just relax and enjoy. Retailers can benefit from this by bringing to light those products that help consumers get satisfaction from something as simple as a Super Bowl party. Call attention to those items that help support these types of special events and opportunities that encourage people to enjoy time with friends and family."

Shane Towne, marketing and new business development coordinator, Indianapolis Fruit Co., Inc., Indianapolis, IN, says retailers can begin setting the stage months ahead of Super Bowl Sunday, which will be Feb. 1, 2009, in Tampa, FL. "We try to promote products from the beginning of the football season leading up to the Super Bowl and the playoffs. We give clients our quarterly merchandising planner that breaks down each week in a quarter, and we pick certain weeks for our clients to focus on merchandising aimed at football events."

"Our party trays have always been a popular addition for Super Bowl Sunday," adds Blackmoore. "We offer a variety of tray sizes and product configurations including a vegetable tray with dip, a turkey, cheese and vegetable tray with dip as well as a beef, cheese and vegetable tray. All are suitable for any get-together. We have also expanded our tray products to include an organic tray, and a petite cheese and vegetable tray."

Califresh, Inc., a Sanger, CA-based supplier of fresh garbanzo beans, also known as chickpeas, follows a playbook similar to Indianapolis Fruit's. Califresh's fire-roasted garbanzo beans, whose taste is described as a roasted artichoke with asparagus flavor, sell well among "people looking for a healthful snack," reports Morgan Murray, managing member. "It certainly beats edamame."

In early September, Califresh launched a tailgating marketing campaign at nearby Fresno State University football games. Company representatives set up a 10-by-10 booth featuring banners of the stores that carry its product. Califresh found great success giving away samples and selling 4-ounce bags at the



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### 2008 PMA Product Innovation Contest

Nunhems' new INTENSE™ tomato is the winner of the prestigious Produce Marketing Association's (PMA) Buyer's Choice Award at the 2008 PMA Foodservice Conference & Exposition. The award, voted on by hundreds of operators, distributors, chefs and wholesalers from around the country, recognizes the INTENSE tomato's foodservice-friendly attributes, including significantly less gel, firmer flesh, and intense red color. These traits allow the INTENSE to be easily and uniformly sliced, diced or cut without losing its fresh appearance.

"We're dedicated to giving growers the solutions they need-often before they even know they need them."

Pepe Gomez,
 Crop Sales Manager



vegetable seeds the global specialist\* pre-game parking-lot parties.

Mann Packing, Co., Salinas, CA, launched a seasonal product line made up of savory, fresh-cut vegetable platters perfect for a variety of special occasions, including football season. One-Stop Platter Shop offers a turnkey program designed to grow sales and create incremental peak holiday sales with vegetables and vegetable-centric party trays in the produce department, explains Lorri Koster, vice president of marketing.

The Tailgater trays come in two varieties: vegetables with traditional ranch dip, beef bites and cheddar cheese cubes, and vegetables with traditional ranch dip, turkey bits and mozzarella cubes. "We jokingly refer to this [product] as the guy's platter because of the more indulgent ingredients. We went with this name because most Americans — even if they're not sports fans — can relate to tailgating. We want to create new usage occasions in the minds of consumers. It could be your church potluck or an office party, but the concept of portability and entertaining is synonymous with tailgating."

#### HIGH-IMPACT DISPLAYS

"Establish a destination in store that features all the ingredients and elements needed to throw a successful party. From produce and paper products, chips and sodas to dip and dressing, having a one-stop-shop makes it easy for shoppers to easily get what they need, and it encourages impulse buys," shares Apio's Blackmoore.

"Why not set up a football display at the front of the store, complete with goal posts, Astroturf and merchandise from the teams?"

she asks. "Set it with items from around the store that would be important to include in any football party. Use end caps to continue the theme or set POS that supports promotions and ads featuring Super Bowl Sunday fare. The key is to get the shopper's attention and get them thinking, 'Yeah, I need that for Sunday."

During the football season, Indianapolis Fruit works with retailers to help them establish eye-catching displays with targeted products. "We do that by suggesting they build displays not only with out pre-cut trays but also by cross-merchandising [our products] with big, beautiful waterfall displays — all the way down to T. Marzetti [Co., Columbus, OH] dips and dressings," explains Towne. Indianapolis Fruit incorporates football-themed packaging and displays. "We use team flags and other materials. With an area consisting of 14 states, we find some big rivalries and big events during the season."

Towne stresses the Super Bowl is the game to watch and retailers should plan accordingly. "When the Super Bowl comes out, we suggest they build separate, large stand-alone displays, including pre-made [displays] with cross-merchandising between produce, beer with lemons, limes and snack foods with dips."

José Manzano, produce director, Dorothy Lane Market, a Dayton, OH-based chain with three stores, notes, "Super Bowl promotions have evolved over the years for us. We used to do a Super Bowl display using just produce items in the lobbies of our stores, focusing on avocados for guacamole" — a popular Super Bowl snack. The display grew

to involve other departments, including beer and wine, snacks and chips and refrigerated items from the deli department. "We built a much bigger display over the years, but it all started with produce," he explains.

Econo Foods, an Iron Mountain, MI-based chain with 25 stores, makes football-themed displays front and center during the weeks leading up to Super Bowl Sunday. "Bulk peanuts, avocados, vegetable dips and veggie trays are big for the game," states Josh Racine, produce manager. "We have a lot of veggie trays moved up to the front display table — they're usually in the back of produce — and the bulk peanuts are out in apple or potato bins. Some things [typically sold during] summer are big, too, such as fruit and veggie kebabs. Even though it's not summer, it's still a football weekend."

#### **CREATIVE PROMOTIONS**

Many suppliers work with retailers to develop POS materials that will help boost sales in the produce department. "For retailers, it's eye-catching merchandising materials that count — footballs and flags, grills and produce — but it's also a build-up of convenience for the consumer," adds Towne. "Don't forget the charcoal and the skewers. To do shish kebab, we supply just-add-meat kits for the retailers. This season and the big game are the perfect opportunity to start with produce and build from there."

"In addition to ads, it is also an ideal time to display trays near the front of the produce section and call attention to them to stimulate incremental sales, suggests Blackmoore. "Apio works with each customer as needed to maximize tray sales during this time of year."

Tailgating giveaways are gaining in popularity. It's a big concept in terms of drumming up excitement around the big game. "We also do deli meat and cheese tray giveaways for Sunday football games," explains Econo Foods' Racine.

#### SUPER BOWL BASICS

Retailers are getting creative in the types of produce items they're including in their Super Bowl displays and promotions. "In these big displays, you'll have all the ingredients for salsa — tomatoes, cilantro, onions, peppers, garlic — and for guacamole, too," states Towne. "We go to the [California] Avocado Commission [(CAC), Irvine, CA] for POP materials and other assistance."

According to Jan DeLyser, CAC vice president of marketing, the Super Bowl and Cinco de Mayo are the two biggest days in the calendar year for avocado sales. "It has taken years to get here, but people associate avocados with the Super Bowl," she notes.

### **Communication And Planning Are Key**

ood communication plays an important role in a successful merchandising program. Shane Towne, marketing and new business development coordinator, Indianapolis Fruit Co., Inc., Indianapolis, IN, says if a consumer has never used a habanero pepper or fresh cilantro before and the produce department employee can pick up on the excitement generated by a display, that employee can explain items when asked and consumers are more likely to give the unfamiliar a shot.

José Manzano, produce director, Dorothy Lane Market, Dayton, OH, focuses on salsa and guacamole. "We have different kinds of pre-made salsas, as well as the ingredients — tomatoes, avocados, onions, cilantro, garlic — to make them yourself," he explains.

Dorothy Lane generates all its promotional materials internally and offers recipe cards as part of its POS materials, including one from Manzano. "That is my own personal recipe. I am originally from Mexico so my recipe does not contain powders or packaged mixes."

Califresh, Inc., Sanger, CA, supports product introductions with recipes and POS materials. "For stores that want to carry our product, we will work with them to build a marketing program based on their needs," says Morgan Murray, managing member. He notes Califresh is already working with Publix Super Markets, Inc., a Lakeland, FL-based chain with multiple stores in Tampa, FL, where the upcoming Super Bowl is set to take place.

Some of the major considerations in the continuing evolution of avocados into the American mainstream are the consistency of year-round supply presently available to American supermarkets and the ability of retailers to help consumers incorporate avocados into their menus. "As a result, people are taking traditional American holidays and using or introducing avocados into them," DeLyser adds.

While CAC is a separate entity from the Hass Avocado Board (HAB), Irvine, CA, the two organizations "work closely together on cross-promotions, which are huge during Super Bowl season," says DeLyser. Super Bowl promotional efforts include television commercials associating the Super Bowl with avocados and featuring former National Football League (NFL) players and tying tailgating activities to avocados.

CAC provides merchandising materials, such as POS materials, coupons and displays that reflect the getting-together aspects of the Super Bowl to help retailers get the word out about avocados and their many uses. This is particularly true during the weeks leading up to the Super Bowl itself. While many retailers focus on the Super Bowl after the holiday season wraps up Jan. 1 and include Super Bowl planning in their annual game plan, they really ramp up the energy on the game when consumers are primarily focused on the event, according to DeLyser.

Econo Foods focuses much of its retail merchandising on seasonality, but avocados are big for the Super Bowl in its stores, according to Racine. "We feature avocados in our weekly ads at least three times between Christmas and Super Bowl Sunday."

#### INCORPORATING VARIETY

Retailers shouldn't focus just on Super Bowl favorites when building their displays. Towne notes "Specialty items come into play with our cross-merchandising programs. Garlic, jalapeño peppers, habanero peppers, specialty tomatoes and fresh herbs, such as cilantro are all big sellers. Incorporating these items into waterfall displays gets people excited about the produce and relates that excitement to the event."

Econo Foods has developed a major endcap display that brings several other departments into the produce department to drum up enthusiasm and awareness. "We definitely focus on cross-merchandising with the meat department [for shish kebabs] and for a display focused on pizza. We feature mushrooms, onions and peppers, and we bring in jars of different sauces and cheeses from dairy, pizza crusts and meats from deli, and beer and wine," explains Racine.





# Packaging With IMPACT

Six companies claim PMA's prized Impact Awards for Packaging.

BY OSCAR KATOV

What's the bottom-line definition of effective produce packaging? Packaging that positively affects store sales, of course.

Ideas supporting that merchandising objective received top recognition at the Newark, DE-based Produce Marketing Association's (PMA) Fresh Summit in Orlando, Oct. 25, with the announcement of winners in its second annual Impact Awards for Packaging competition.

Chosen from 121 entries in six categories were: Del Monte Fresh Produce (food safety/traceability); Mann Packing Co., Inc. (supply chain efficiencies), Mickey's Minis (marketing design); Noble (environment/sustainability), Tanimura & Antle, Inc. (marketing management/content); and To-Jo Mushrooms, Inc. (functionality/technology).

#### **BEST IN FOOD SAFETY/TRACEABILITY**

Del Monte Fresh Produce, Coral Gables, FL Product: Safe-T-Fresh Packaging

"Our new Safe-T-Fresh Packaging is designed to meet the needs of both our retailers and their consumers," explains Dionysios Christou, vice president marketing. "With the built-in tamper-proof feature, we can ensure delivery of the freshest quality product and reassure consumers in an era when food safety is top of mind.

"Our ability to offer a variety of packaging options, depending on a retailer's preference and/or store layout, is a good competitive advantage. The tamper-proof attribute ensures absolutely no leakage, helping to maintain its fresh quality and appearance — with both retailers and consumers confident they are receiving the freshest and safest products.

"Elimination of the standard shrink band also offers many merchandising benefits. The design is much cleaner and fresher looking and allows customers to see the fruits or vegetables clearly. Additionally, the built-in tamper-proof feature allows for extended shelf life, a feature that benefits both retailers and consumers. Finally, with standard fresh-cut containers, the possibility that the safety feature will fall off or break is more prevalent, resulting in retailers being forced to discard the product. Safety-T-Fresh Packaging, from Inline Plastics Corp., [Shelton, CT] contributes to good environmental practices — eliminating the shrink band means less packaging, with less energy consumed in manufacturing the product. This packaging is offered nationwide in our fresh-cut produce line, appealing to health-conscious consumers."

#### **BEST IN SUPPLY CHAIN EFFICIENCIES**

Mann Packing Company, Salinas, CA Product: Simply Singles Lettuce Leaves

"The package is a 6-ounce clamshell containing single leaves of cut, washed, ready-to-eat leaf lettuce," says Lorri Koster, vice president marketing. "A 'next generation' tamper-evident strip [supplied by Inline Plastics Corp., Shelton, CT] replaces the tradi-

Oscar Katov is a marketing communications consultant, serving the packaging and supermarket industries.



Lorri Koster **Mann Packing** 

tional wrap-around plastic sleeves. This innovative package creates efficiencies for the entire supply chain including transportation, handling, storage and merchandising -

preventing shrink due to physical and climatic effects.

"By shipping 100 percent usable, edible leafy greens, the items create efficiencies in transportation — accommodating 80 cases per pallet versus 48 cartons of shipped bulk leafy greens.

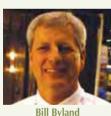
"At store level, this package requires less labor overall, needs no misting, lowers maintenance and minimizes training costs, while wax-free cartons eliminate disposal costs. This is the only package of its kind on the market with a tamper-evident strip that assures consumers of product safety.

"Simply Singles also have item-level traceability and more accuracy at checkout due to bar-coding. We have been shipping whole leaf/singles to the foodservice industry for years with much success. Consumers are looking for the same benefits — time-saving, cost-saving items."

### **BEST IN MARKETING DESIGN**

Micky's Minis, Millstadt, IL Product: All Dressed Up Mini Package

According to William Byland, vice president, "The All Dressed Up giftable mini set is



Micky's Minis

a complete gift presentation. It's not just another pretty pot. It combines eye-catching graphics with a function package that not only protects the plant but also enhances the

presentation. Plus, the top lid and the bottom base can make a reusable keepsake gift box.

"The All Dressed Up minis will not get lost in a store's floral department. The added protection to the plant will last from the grower to the consumer. We're trying to transform product weakness into product strength by enhancing the visibility of the plants — giving the product more needed protection during shipping and its merchandising in the store.

"We offer this product in three different patterns with two different colors," he continues. "Each case comes with a different, attractive watering container to make caring for the plants easier at the retail level."

# **BEST IN ENVIRONMENT/ SUSTAINABILITY**

Noble, Winter Haven, FL Product: Plant-Based Packaging

"Noble pure juice is the first retail brand to use a bottle and shrink sleeve made from plant-based packaging — PLA — offering an environmentally friendly packaging option for today's consumers," reports Allison Lee, director of marketing

"This packaging material is in keeping with Noble's profile — all-natural, super premium juices, packaged in all-natural material that is good for both the consumer and the environment. The bottle and sleeve can be completely composted in less than 100 days when placed in an industrial composting facility. In comparison, petroleum-



Allison Lee **Noble Juice** 

based plastic bottles never achieve 100 percent recycling, burden the waste system, emit harmful gasses if incinerated and require far more energy to manufacture and recycle.

"A key demographic for the packaging is



the consumer who wants to make a difference in our environment. By offering the consumer environmentally friendly packaging options, Noble empowers consumers to make changes with their purchasing power."

# **BEST IN MARKETING** MANAGEMENT/CONTENT

Tanimura & Antle, Salinas, CA Product: Living Lettuce Hydroponic Clamshell

"This product allows a consumer to put a greenhouse in the refrigerator," proclaims Rick Antle, CEO. "It meets the demand for locally grown, sustainable lettuce — grown indoors hydroponically and available year-round. Packaging is a clamshell with a removable sleeve utilizing high-graphic content and an eye-catching grab-tab that communicates product attributes and benefits to the consumer. Preparation tips and recipes are on the inside of the sleeve.

"The contour of the clamshell and its rigidity not only provide protection and a reservoir for the living product but also allow the consumer to view the product completely prior to purchase," he continues.

"The design and development of this packaging was done to launch Tanimura & Antle's new hydroponic lettuce line. Consumers are increasingly knowledgeable about the environmental impact of the produce they purchase, and by maintaining two separate elements [clamshell and sleeve], we have achieved a completely recyclable package that allows for a complete informative marketing message.

"The future for this package will continue to be an excellent response from consumers, as it continues to meet demand for year-round locally grown lettuce."

# **BEST IN FUNCTIONALITY/ TECHNOLOGY**

To-Jo Fresh Mushrooms, Inc., Avondale, PA Product: On-The-Spot Gourmet

Paul Frederic, senior vice president, describes his winning product this way: "On-The-Spot Gourmet offers consumers fresh, ready-to-serve mushroom preparations in four delicious flavors — Caramelized Skillet Mushrooms, Marinated Button Mushrooms, Kettle Cooked Portabella and Garlic Mushroom Sauté. The container used for the products offers a superior combination of form, function and economy while meeting appropriate and reasonable sustainability benefits.

"Most evident is the attractive space-saver

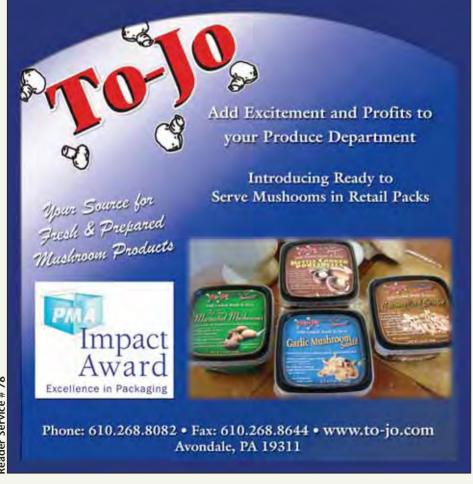
container shape with high-impact graphics, which are applied on the lid and four sides, providing compelling product information and serving suggestions. The container



Paul Frederic To-lo Fresh Mushrooms, Inc.

incorporates a tamper-evident security system, and it is liquid-tight, resealable, reusable and dishwasher safe. The container also is microwavable, allowing the consumer to heat a gourmet meal in minutes.

"The liquid-tight seal and product process provides a 30-day shelf life, eliminating spoilage and limited shelf life usually associated with fresh mushrooms," according to Frederic. "The packaging eliminates the preparation and shelf-life limitations normally associated with fresh mushrooms. On-The-Spot Gourmet products overcome these issues and reinforce the inherent strength of mushrooms — taste and versatility — in a convenient microwavable package. The product is aligned with current broad consumer trends — health and wellness, convenience, environmental responsibility and the global palate." pb









68% of Moms agree:

Age Carling Proches

- 87% of Moms feel that fun is important in getting kids to eat more fruits and veggies.
- 69% of Moms agree that produce packaging with cartoon or superhero characters helps make it fun to eat more fruits and veggies.
- Appeal to a new target audience.
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Reader Service # 33

# Mexican Produce Industry Remains Optimistic

The Mexican industry continues to press forward and work toward future innovations despite its many challenges.

BY JODEAN ROBBINS

On the heels of this summer's food-safety allegations, the Mexican produce industry is forging ahead with expansion and changes to cement its position as a leading fresh supplier.

"Mexican produce exports globally are currently valued at more than \$15 billion and growing rapidly with the government forecasting growth to a total value of approximately \$17 billion in 2009," says Veronica Kraushaar, president, Viva Marketing Strategies, Nogales, AZ. "U.S. produce imports from Mexico are valued at around \$8 to \$9 billion. Mexican produce is a key factor not only in the United States but also all over the world, with the country soon making the Top 10 global produce exporters list."

"If you're trying to ship to the United States, you're increasingly drawn to Mexico," adds John McClung, president and CEO, Texas Produce Association (TPA), Mission, TX. "Extending the season to provide more to buyers throughout the year is a big motivator. Buyers are looking for year-round sourcing. Over half of what Texas sells comes from Mexico."

Retailers increasingly count on Mexican produce to fill gaps. "The Mexican deal is important to our program," says Paul Kneeland, vice president of produce and floral for Kings Super Markets, Inc., a Parsippany, NJ-based chain with 27 stores. "Customers are demanding year-round product, and we

have to do our best to get it. Much of the quality from the Mexican growers is very good. It's definitely a big part of our overall sales, especially in the off-season."

"We utilize Mexican fruits and vegetables whenever we need to," states Raul Gallegos, senior director of produce and floral, Bristol Farms, a Carson, CA-based chain with 16 stores. "In early fall, we're often looking at Mexico versus Chile, and we make the decision based on who can deliver the best quality. Mexico has a huge growing region and you often don't have another feasible option."

In Eastern Canada, where greenhouse production and European product is highly competitive, retailers have niches for Mexican product. "We mainly handle mangos, which usually start in late March and end in September," reports Dwayne Buttler, director of produce operations, Pete's Frootique, a Bedford, Nova Scotia-based chain with two stores as well as a foodservice-distribution business. "We also see some peppers during the winter season. Since the local Canadian season has expanded, we're seeing Mexican product for a shorter period of time now. The principal Mexican hothouse items we see are cucumbers and tomatoes."

# **EVOLUTION OF A GIANT**

While Mexico has served as a strong player in the North American produce game for quite a while, the industry is seeing some significant changes. "The Mexican industry is definitely evolving," explains Jaime Tamayo, director of marketing, Divemex, Guadalajara, Jalisco, Mexico. "We are a member of the Produce Marketing Association's [PMA, Newark, DE] Mexico Country Council, which met [in] December [2007] to discuss trends in Mexico's fruit and vegetable industry and the challenges we face in the short and long term. Food-safety and cold-chain optimization were identified as areas to focus on. The industry is also becoming more market-driven in our decisions and returning to more basic commodities this year due to the weak U.S. economy."

Two of the most noted changes in the Mexican industry is the expansion and diversification of growers. "The market is forcing Mexican growers to expand and diversify to survive in and be an attractive option for commercial chains," according to Rene Castaneda of Sinaloa, Mexico-based Label Pack SA De Cv, which specializes in the manufacture and



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sale of packaging materials and equipment. "We're seeing more greenhouses or shade houses as well as growers looking to buy products from other areas of Mexico in order to provide full-year contracts. Exporters are moving to diversify their product line."

Jim Cathey, general manager/sales manager, Del Campo Supreme, Inc., Nogales, AZ, sees a great deal of growth in the greenhouse category. "Field tomatoes are holding or shrinking. People continue to gravitate toward the Mexican greenhouse and vineripe deal as opposed to sourcing out of Europe or Florida."

Organic production is another evolving area. Danny Mandel, president, SunFed, Rio Rico, AZ, reports, "Organics have been the winter vegetable deal's lover - the one vou can't live with and the one you can't live without. A highly fragmented production base with many smaller growers is involved. Many organic growers are small and struggle to meet required standards of food safety. Most don't have the scale to invest in extended shelf-life technologies. Thus, the organic offerings often show various degrees of age."

"Organics from Mexico are growing," adds Cathey. "Del Campo's organic program consists of beef tomatoes, cucumbers and red and green bell peppers. This year, it will be hard to say how much it will or won't grow due to the economy affecting buying decisions. Consumers may make short-term decisions to go more conventional."

SunFed is making strides to significantly improve organic quality and hopes to be the largest grower of organic green beans in North America this year. "The research and development was done to insure our beans will hold up extraordinarily well utilizing our chain of post-harvest technologies providing extraordinary freshness with extended shelf life," reports Mandel. "The same is true of our organic grape tomatoes - a really greattasting product. But unlike [in] a small producer, these products will be packed in a Primus- and HACCP-certified facility. Sun-Fed has enjoyed great success with our line of Perfect Squash. This year, we will offer our long-shelf-life zucchini grown organically and packed in Xtend modified-atmosphere bags. Imagine grown organically and long shelf life in the same sentence."

# QUALITY/SAFETY **REASSURANCE**

In light of this past summer's food-safety fiasco, Mexico's biggest challenge has been to re-assure retailers and consumers of its quality and food-safety standards. "The biggest headache is with respect to the lingering concern about food-safety issues and Mexico," says Kings' Kneeland. "We need to reassure consumers about the quality and safety of these products."

According to Cathey, "Out of 14 food illness outbreaks in past years, Mexico was possibly linked but not confirmed to two of them. The rest were domestic U.S. production. Mexican product is just as safe, if not safer, than domestic product."

"The Mexican industry needs to improve its publicity to the U.S. public regarding the quality of its products and especially about the quality inspection programs in place," suggests Kneeland. "We need to work together and get out there and reassure people. Unfortunately, once allegations are made. they stay in the public's mind."

The Mexican industry presents a strong defense of its long-standing commitment to

"The Mexican industry needs to improve its publicity to the U.S. public regarding the quality of its products and especially about the quality inspection programs in place."

— Paul Kneeland Kings Super Markets, Inc.

quality and food safety. "Mexican production has been subject to protectionist pressures — some under the guise of food-safety issues - for decades," says SunFed's Mandel. "Mexico has had no choice but to get and stay - serious regarding food-safety practices. Today, Mexico sports world-class companies leading the way in this area. Furthermore, produce from Mexico is sampled by the U.S. Food and Drug Administration [FDA] at a rate nine times higher than U.S.grown produce, and the FDA has quintupled its number of physical examinations of imported produce since 2001. Mexican companies participate in third-party certification of their food-safety practices at a rate higher than their domestic counterparts. All growers for SunFed have to meet rigid standards of food safety throughout their operation. Third-party audits document the process."

"Many Americans don't realize Mexico exports successfully to countries such as Japan with much stricter standards of quality and service than the United States," adds Viva's Kraushaar.

Government and private industry monitor quality and food-safety standards. Jon Christopher Myers, business development director, Eurofresh Farms, Willcox, AZ, notes two specific government programs in place to assure quality. "They are run by the Mexican Department of Agriculture. One is México Calidad Suprema or Mexico Supreme Quality, which is a certification of quality at the packing house level. It is very strict and well recognized abroad among the entire produce industry. The second program is Servicio Nacional de Sanidad. Inocuidad y Calidad Agroalimentaria [SENA-SICA], which is the Mexican Department of Agriculture's unit certifying good agricultural practices [GAP] and good manufacturing practices [GMP] according to a well established protocol recognized by the U.S. Food and Drug Administration."

"For every U.S. agency, there is a counterpart in Mexico doing the same thing," explains Cathey. "Mexico's laws are equal to laws governing U.S. product. FDA found out how extensive and sharp the Mexican government is when it partnered with them during this past summer's problem."

The Mexico Calidad Suprema program is a partnership between the Mexican Government and various private, international auditing and banking agencies. "It's a certification program for Mexican exporters that meet all GAP requirements and cover all aspects of quality and food safety. Approximately 100 companies and agencies participate currently," explains Kraushaar. "Growers who successfully complete the stringent certification process are entitled to use the Mexico Supreme Quality [MSQ] Seal of Excellence on their packages. This gives retailers assurance of top quality. The program is growing because consumers are now demanding quality and safety assurance and thus more growers are undergoing the certification. This is the all-encompassing Mexican export safety program for all perishables."

Third-party audits and certifications are increasingly used, especially by larger growers. "The better growers in Mexico employ a third-party auditing company to monitor their food-safety practices and certify their products," reports Jerry Havel, director of sales and marketing, Fresh Farms, Nogales, AZ. "For example, Primus Labs is widely used by many growers."

# **EXPORTER AND** RETAILER RESPONSE

Mexican growers understand the importance of food-safety assurance. "Growers know they are under a very powerful micro-



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scope by the U.S. government and most good growers have an extensive food safetyprotocol in place to insure the safety of their products," states Fresh Farms' Havel. "Farming practices in Mexico are at a very high level. The fields, product, machinery and farming practices are all very modern and clean. Mexican farmers are no different than California or Florida growers. They want to have a competitive edge in the market and they understand they have to produce a superior product satisfying the demands of the North American market to accomplish this."

Forward-thinking companies are utilizing a myriad of certifications to their advantage. "Food safety is our top priority with regular Primus Labs audits undertaken and GAP/ GMP certifications secured," notes Tamayo of Divemex. "We are also committed to training for our employees and service providers throughout the supply chain to assure foodsafety protocols are followed. We have secured C-TPAT [Customs-Trade Partnership Against Terrorism] certification that enables our trucks to cross the border quickly and efficiently, reducing the travel time of our products. We also adhere to very high quality standards in the greenhouses . packing facilities and at many checkpoints along the way.

"Most of the larger Mexican exporting

# **Top 10 Produce Items Imported From Mexico To** The United States, January - December 2007

COMMODITY	10,000-LB UNITS*	VALUES IN \$1,000**	
1 TOMATOES 2 WATERMELONS 3 CUCUMBERS 4 LIMES 5 PEPPERS, OTHER (CHILI TYPES) 6 SQUASH 7 PEPPERS 8 AVOCADOS 9 MANGOS 10 GRAPES	185,918 98,820 80,395 77,300 57,712 54,069 51,256 49,591 41,740 29,016	960,176 140,407 378,654 163,262 255,173 204,546 313,435 443,889 116,933 262,049	

\*Source: USDA, Agricultural Marketing Service, Fruits and Vegetable Market News

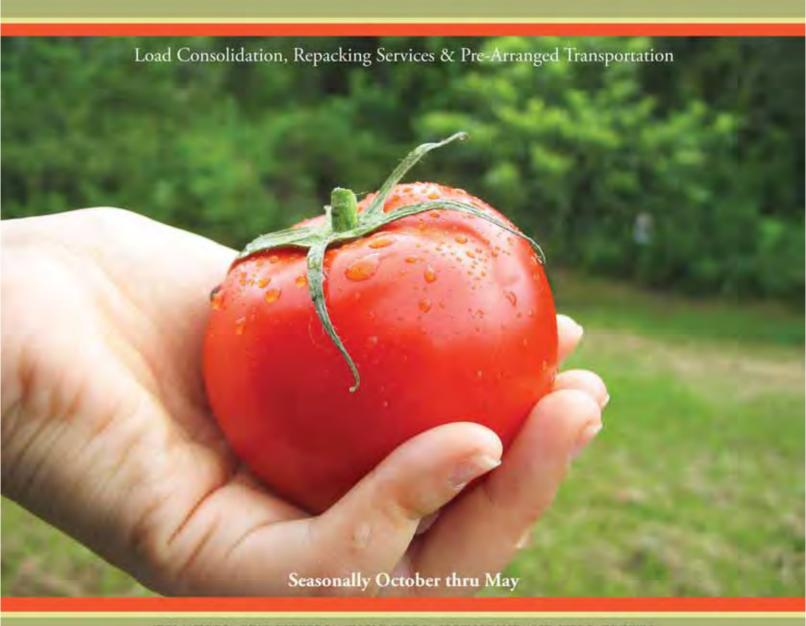
companies carry the full range of certifications, such as GlobalGAP, required to send product to the United States, Canada and overseas," adds Tamayo. "Smaller growers are unable to afford the rigors of the certification process and we are seeing many go under."

TPA's McClung says Mexico's producers are extremely conscientious. "They are good producers, have great equipment and take it seriously. However, you also have some less-sophisticated growers with small acreage. In the marketing chain, the product can sometimes be bought from small farms and large farms, and mingled together. As food safety becomes more of an issue, the small farmers will be at a disadvantage."



<sup>\*\*</sup> Source: USDA, Foreign Agricultural Service, HS 6-Digit Imports Compiled by the Fresh Produce Association of the Americas (FPAA)

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An increasing number of retailers are suggesting or demanding certifications from their suppliers. "Almost all major retailers have settled on certain protocols they expect of their suppliers," says SunFed's Mandel. "Some re-evaluate their programs annually. Programs tend to vary among retailers. Some retailers specify different third-party certifiers while others require social audits as well. All of SunFed's results are posted online and we invite all customers and interested parties to come visit our installations in Mexico to verify on a personal level."

Bristol Farms always requires GAP, according to Gallegos. "Any Primus or third-party certification is an added value to coming into our stores. We know who our suppliers are and where our stuff is coming from. Many of our suppliers are already being proactive in putting together a traceability program and implementing the COOL [country-of-origin labeling] requirements."

Knowledge about who you do business with is critical. "It's the same as procuring domestic or any other imported product," explains Kings' Kneeland. "You deal with the growers you rely on and trust."

# TAKING ADDITIONAL STEPS

In addition to inspection and certifica-

tions, the Mexican industry is investing in new packaging technology to improve quality. "SunFed packs all of its vegetables in

> "Any Primus or thirdparty certification is an added value to coming into our stores. We know who our suppliers are and where our stuff is coming from."

> > — Raul Gallegos Bristol Farms

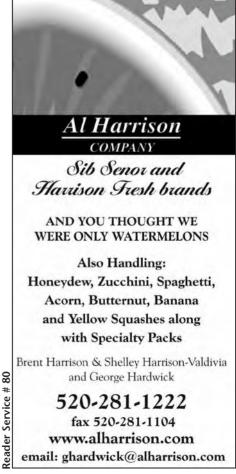
Xtend modified-atmosphere bags," notes Mandel. "This allows us to deliver straightfrom-field freshness from Mexico to retailers throughout North America. As freight comes to represent a larger part of total cost to market, retailers will need to think in terms of the residual shelf life of the products entering their distribution center."

In addition to new materials, a wider variety of size presentations is emerging. "I'm seeing a movement toward more biodegradable products," explains Label Pack's Castaneda.. In bell peppers, Sam's Club [Bentonville, AR] and Costco [Wholesale, Issaquah, WA] are moving to presentation of 3-packs, 4-packs and 6-packs. For seedless cucumbers, some distributors are doing 3-packs, 4-packs and 6-packs in bags for special customers. English cucumber is moving another presentation of a 3-pack in bag and 4-packs. The cactus pear and mini eggplant are moving into an insert tray made of polypropylene to avoid damage."

Other challenges to the Mexican industry include rising production costs. "Retailers should be aware fuel costs have risen in Mexico like the way they've risen in the United States, and transportation is just one of the additional costs the Mexican producer has felt from this energy crisis," according to Fresh Farms' Havel. "Fertilizer, boxes, wax, seed, everything has gone up resulting in additional cost to growers."

"It's getting more expensive and has been









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a long time coming," states Del Campo's Cathey. "Truckers have been going out of business for years and the gas prices have exacerbated the problem. Transportation is going to be an issue for a long time. No one should think dropping oil prices will mean cheap freight rates again."

Financial issues also affect Mexican production. "A big hurdle for further expansion is capital," states Eurofresh's Myers. "Most of the small operations are struggling to survive and many have defaulted on loans."

Divemex is realistic about the U.S. economy and is producing a crop mix reflecting the more basic needs of consumers, explains Tamayo. "Divemex is focusing on its core items of colored bell peppers, beefsteak tomatoes and cucumbers. Approximately 80 percent of the total volume is comprised of red, yellow and orange peppers while the rest is spread equally across cucumbers and tomatoes.

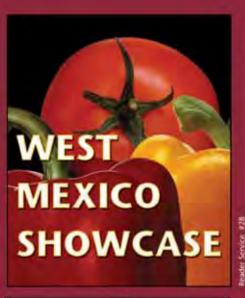
# AN EYE ON THE FUTURE

Despite recent hurdles, the Mexican industry remains enthusiastic about its future. "A friend from Florida made an insightful comment on a recent trip to Mexico," explains SunFed's Mandel. "In Florida, many growers sense a difficult future because of water issues, the cost of land and the questionable availability of labor. Some growers have already sold off land or partnered in urban development. Conversely, in Mexico, there is a tangible excitement present. Today, SunFed works with a new generation of disciplined young growers, university-trained and technologically savvy,

who anticipate a future they view as limitless. They believe money spent on food safety and emerging technologies are investments in their future."

"Mexico has the capability of producing many of the commodities we want in this country and there is no reason to think it won't continue," adds TPA's McClung.

Through innovation, focus and relationships, Mexico should continue to hold its own in many markets. "We buy all of our stuff through the food terminal in Toronto, so the Mexican product competes against stuff from everywhere else," says Buttler of Pete's Frootique. "At our level, the quality is comparable. Our buyer looks at all the product on the market and picks out the best that day and Mexican product does make his selection."





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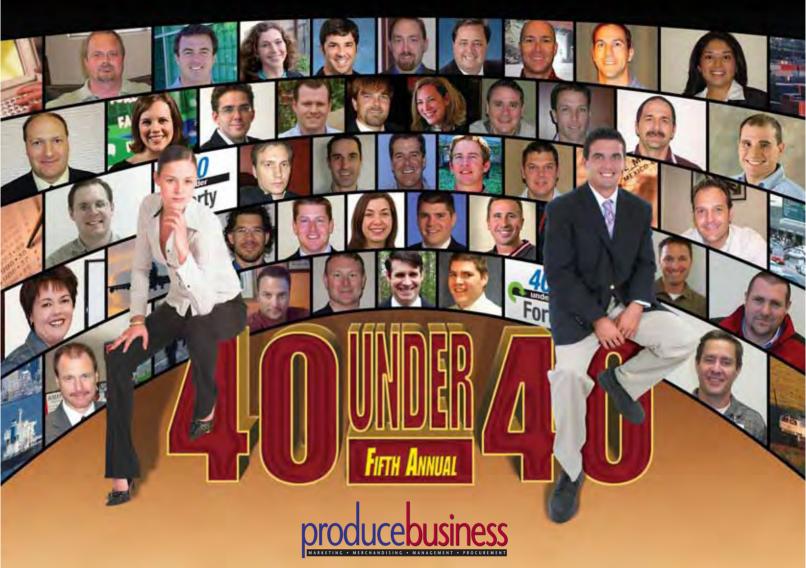


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To nominate someone, please fill out this form by March 1, 2009, and fax back to 561-994-1610.

Once nominated, the candidate will receive forms from us to fill out asking for detailed information. A candidate only needs to be nominated one time. Multiple nominations will have no bearing on selection.

# **ABOUT THE NOMINEE:** Nominee's Professional Achievements: First Name \_\_\_\_\_ Last Name \_\_\_\_ Approximate Age Company \_\_\_\_\_ Position \_\_\_\_\_\_ Nominee's Industry/Community/Charitable Activities: City \_\_\_\_\_\_ State \_\_\_\_\_Postal Code \_\_\_\_\_ = Country \_\_\_\_\_ Phone \_\_\_\_\_ Fax \_\_\_\_\_ ABOUT THE NOMINATOR: First Name \_\_\_\_\_ Last Name \_\_\_\_ Company \_\_\_\_\_ In 100 words or less, describe why this person should be nominated: Position \_\_\_\_\_ (You can use a separate sheet for this) City \_\_\_\_\_\_ State \_\_\_\_\_Postal Code \_\_\_\_\_ Country \_\_\_\_\_ Phone E-mail

# South American Imports

Freight costs and fluctuating dollar valuations make shipping product from the exporting countries into the United States a major challenge.

BY DUANE CRAIG

Skyrocketing agricultural inputs and currency fluctuations are expected to figure prominently this year for importers of South American produce.

> Brian Schiro, sales associate, Jac. Vandenberg, Inc., Yonkers, NY, says trying to keep both ends of his client base happy will be difficult this season and into early next year. "The costs in South America, and specifically Chile, are skyrocketing for things such as fuel, labor, energy and packaging, meaning growers and exporters are working on very thin margins."

> Matt Curry, president, Curry & Co., Inc., based in Brooks, OR, says the costs of growing coupled with a roller-coaster market during the past two vears resulted in a decrease of onion hectares in production. The resulting crop flow to the market is expected to be steady this season with more stable, but higher prices.

> The price of South American fruit at retail is going to have an effect on consumer purchase decisions, explains Tom Tjerandsen, managing director, North America, the Chilean Fresh Fruit Association (CFFA), Sonoma, CA. He says the per pound prices of produce from South America during the winter

Lemon Plum

will have to compete with higher costs for staple foods. The other variable he sees is the value of the dollar relative to other currencies.

"The increasing value of the euro against the dollar means the dollar competes for fruit with the euro," he reports. "Chileans know these currency evaluations swing on a vast pendulum and they even out over time. They also recognize they have a lot of partners in retail in the United States and they are working hard to protect them. Even though they might actually be able to get a better price for fruit in Europe, they have long-standing North American relationships, and they are working hard to retain those associations of trust that have been built over time."

Brad Cantwell, vice president of North American sales, Dole Deciduous-Chile, a Bakersfield, CAbased subsidiary of Dole Food Co., Inc., Westlake Village, CA, agrees the dollar's value is having a significant impact on the market, but he sees the picture differently relative to growers' responses. "Growers in Chile are trying to avoid the U.S. market as much as possible because they are getting better prices on the worldwide markets. They are all trying to find other areas to sell their fruit because the markets here are just not paying for the costs."

He claims part of the issue lies at retail where historical prices are often used when considering from whom to source product. Today, historical prices no longer leave enough room for the growers to survive. Since only the best and biggest fruit is sought after in the North American market, growers sending it through the chain often can't get the returns to cover costs. Plus, the traditional structure of the process is undergoing change. "There are a lot of dynamics going on," he notes. "Five years ago, my sister company down in Chile was sourcing 100 percent of my fruit. This year, I am probably going to be sourcing over 30 percent directly from my office here in North America because we are talking directly to growers. The growers are trying to cut their costs."

Shippers will continue to search for new markets, stresses Mark Greenberg, senior vice president of procurement and CEO, Fisher Capespan

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U.S.A., LLC, a Gloucester City, NJ-based subsidiary of Capespan Group Holdings, Ltd., Bellville, South Africa. "That will include places such as Russia and Eastern Europe." Shippers will be inclined to be pickier about what they send into the North American markets by holding back product that may be marginal or prone to discount at store level. Shippers will also be looking to their business partners to get them the returns they need to cover costs.

Peter Kopke, president, William H. Kopke, Jr., Inc., Lake Success, NY, also notes the influence of other regions on the South American deal. "You have all of the Eastern European countries now involved. Russia is a tremendous factor in the market right now. That changes things. They are buying. I don't know how much they are throwing away, but they are buying. The forecast increases a little bit every year. Europe, Poland, Russia and Czechoslovakia are huge new factors in the business."

John Pandol, manager of Mexican sourcing and special projects, Pandol Bros., Inc., Delano, CA, says South American growers ought to rethink playing the worldwide market to the detriment of the North American market. "You can't have it both ways. They play the spot market and then, when they

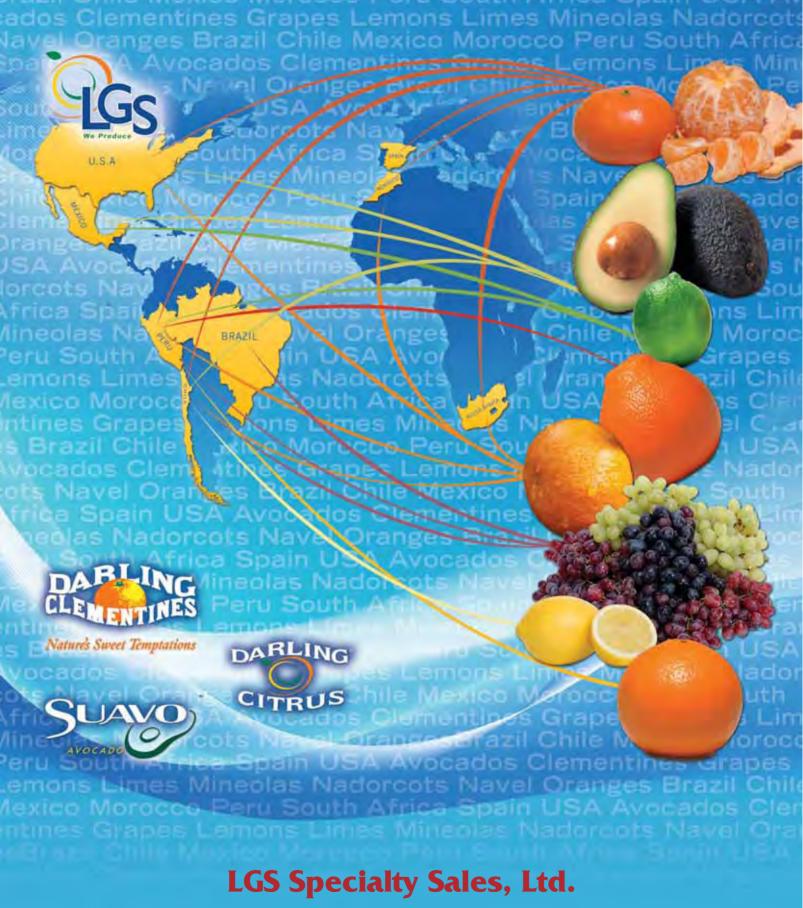


have to come to the United States, they come with huge numbers. You only get so many chances to cry wolf and we got the impression that's what was going on [a year agol. Historically, our Chilean grape deal has had a bit of a predictable curve to it in terms of supply. This past year, we got half of our program in the last month. It was highly unpredictable week to week and there was no orderly marketing. Normally,

we would get fairly predictable flows and we would also get predictable ranges of quality. This year, that was all over and we were obviously getting the leftovers."

Caliman International, Plantation, FL, faces a double-edged sword when it comes to importing small variety papayas from Brazil, states Andres Ocampo, director of operations. Tourist flights from Brazil to the United States are increasing because of the





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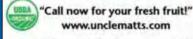
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weaker dollar, creating more cargo space for his product, which needs to go by air since it is picked when ready to eat. At the same time, the weaker dollar means tighter margins, but Ocampo says a weakening Brazilian real could cause a shift of more product volume back to the United States after its diversion to Europe and other places this past year.

### PRICING STRATEGIES

As currency valuations and higher costs of production affect the prices growers expect, retailers are considering ways to hold the line on prices at consumer level. "We have done a couple of things," reports Paul Engle, produce manager, Baesler's Market, a single-store operation in Terre Haute, IN. "We decided we were going to have to take less gross and raise some prices just a little bit. We were trying hard to stay under all of our competitors, but it just got to a point that we couldn't do it. It's hard on the consumers and we try to do everything we can to keep things in a price range that they will buy because it doesn't do us any good if it just sits on the shelf." Baesler's depends on the South American deal to keep its nearly 500 SKUs stocked through the winter months. Engle stays away from large prepacks, preferring instead to allow consumers to select and pay for only the amount they want.

Meanwhile, suppliers point to opportunities related to crop variables.

In many cases, knowing the condition of the crop comes in handy for planning promotions. For example, Curry & Co.'s Curry says this year's Chilean onion deal will have tighter supplies than the previous years with more small sizes. Seizing the opportunity to promote mediums in bulk and bags could pay off, and while some areas of the United States already do this, others haven't

United Supermarkets, a Lubbock, TXbased chain with 48 stores, relies on South American produce during the winter, particularly for grapes. Darvel Kirby, business director of produce, has stayed away from stone fruit because he hasn't found the quality to his liking. It's challenging to put out what consumers want and still hold down prices, he adds. While he will reduce his margin in some cases, in many other instances, the price has to go up.

Fisher's Greenberg sees the U.S. market as one with large opportunities for South American producers and North American retailers. "I'm optimistic about the continuing importance South American fruit will have to chain-store consumers throughout the year," he says. "I'm optimistic retailers

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# **Expansion Into North America**

stunning variety of fresh South American produce is bound for North America. Committee of Producers and Exporters of Fresh Fruits And Vegetables to the United States (Copexeu), Ciudad Autonoma de Buenos Aires, Argentina, represents produce businesses in Argentina, which supplies cherries, blueberries, 14 varieties of pears and 11 varieties of apples.

Tom Tjerandsen, managing director, North America, Chilean Fresh Fruit Association (CFFA), Sonoma, CA, points to some movement toward the introduction of other fruit to Canada and the United States. In early 2009, depending upon political factors, the importation of pomegranates may once again be allowed, he predicts. He also says importation of citrus is getting very close to approval.

Xavier Equihua, managing director, Federal Strategies Group, Washington, D.C., and U.S. representative, Chilean Exporters Association, Santiago, Chile, is fairly sure the law will be in effect before the season starts in May or June.

Chile exports 72 varieties of fruit to the United States, and more than half of that volume (approximately 60 million boxes) is grapes. The Chilean fruit deal begins with cherries and progresses through peaches, plums, nectarines and on to an "avalanche" of grapes, according to Tjerandsen.

South American blueberries are on a fast growth track, notes Tjerandsen. Fueling that is a collaboration between the Chileans and the North American blueberry industry. For two years in a row, the Chilean blueberry industry has made a no-strings donation to its sister industry in the north with only a gentlemen's understanding that the money

would be used to promote Chilean blueberries during the seasons when North American blueberries are not available. The effort has resulted in many retailers allocating year-round blueberry space.

Ever since North Americans discovered flat, sweet onions, they've demanded yearround fresh supply. South America has since stepped up to fill that need. Peru has been supplying some of those volumes along with Chile. "The reason we have Chilean sweet onions from December through March is because Chile is the best place in the world to grow sweet onions during our wintertime," states Matt Curry, president, Curry & Co., Inc., headquartered in Brooks, OR. "It is more expensive to grow there and freight is more expensive, but the reason we are there is that you get the optimal quality for store shelves."

Brazil grows a number of fresh fruits and vegetables in volumes suitable for export and one in particular could be poised to capture the attention of a certain market segment to the north. Andres Ocampo, director of operations, Caliman International, Plantation, FL, characterizes the small papayas his company imports from Brazil as holding the "best overall quality," as compared to other regional offerings. Because these small papayas are shipped by air and are somewhat of a specialty item, they come at a premium price.

Still, the actual market for the smaller papaya is wide since it appeals to smaller families that are more of a norm in developed countries. While the price at retail per pound may be two or three times more than a large variety papaya, the convenience of the fruit is a reason many people buy it.

will continue to value the product. We're going to make every effort not to bring in product that can't find a market and doesn't have a profitable economic return for a shipper. We just need be efficient in what we do and in how we do it."

"It is important for us to take advantage of opportunities," notes Dole's Cantwell. "For instance, we may have a request for Thompson seedless grapes, but we see a big volume of Flames coming. We want to flip that over and give the retailer a chance to move more fruit at a more aggressive retail price." Flexibility can create other opportunities. Advertising fruit at a certain price at a certain time just because it worked in the

past may not work this year. Cantwell thinks there may be some merit to considering smaller package sizes to help minimize sticker shock at the register.

Kopke of William H. Kopke Jr. agrees with staying flexible, adding, "You cannot make plans too far in advance in this deal because it is subject to radical changes. The longer you can delay making your plans, the better off you are. Anybody who made long-term deals this past year didn't get the merchandise in the first eight weeks - they got a fraction."

Pandol of Pandol Bros. points out the "beauty in playing your cards close to the hip." He says fresher product can flow to those who don't plan four to eight weeks ahead by potentially removing cold storage from the process.

### BENEFITS OF PLANNING

Others counter that making some plans has its advantages. "The United States is always going to be the most important market for South American foods," says Vandenberg's Schiro. "Things in some weeks could end up being a little bit tighter, so it's to the retailer's advantage to book in advance. Still, it's difficult to predict how often that is going to happen or when that is going to happen until you get into the season."

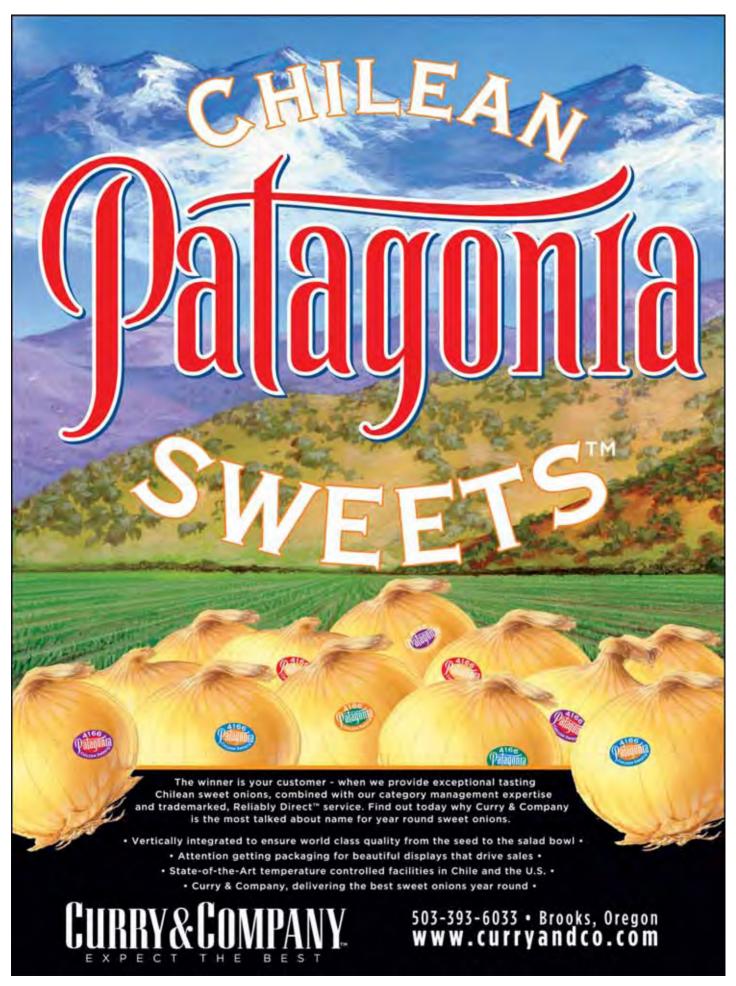
Fisher's Greenberg sees the time coming when most deals for South American fruit will be structured in advance with transparency throughout the deals. He says that should result in steady supplies of quality fruit at predictable prices for everyone involved.

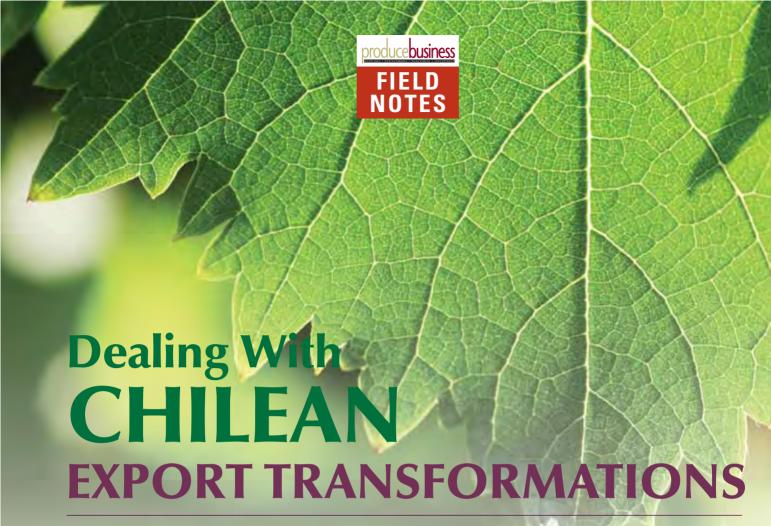
While many only play the deal using middlemen, CFFA's Tjerandsen points to cheaper ways to acquire South American produce such as dealing directly with growers. But the process is highly risky because of the perishable nature of the product, the number of import and export requirements and the general transportation issues. Using a process involving an exporter, importer and wholesaler adds costs but minimizes headaches and losses.

One of the potential loss areas handled by wholesalers is quality issues. Caliman must deal with product if it doesn't meet the buyer's expectations, reports Ocampo. A good way to approach this market is planning ahead and not showing up at the last minute looking for a great deal, he adds.

Most of the product is being moved by ship and because ships use a very unrefined type of fuel, the rising cost of crude oil has not had a significant impact on shipping costs for fruits and vegetables, explains Tjerandsen. High-margin fruits, such as berries, are moved by air through Miami, FL, but even that is changing as improvements to modified-atmosphere techniques are making advances and adding longer life to the more perishable commodities.

"The key to success for the Chilean business is movement," states Dole's Cantwell. "You need to bring the fruit in, and you need to have enough customer demand to move the fruit within five days." Market prices traditionally fall beginning somewhere in December all the way through February. Carrying inventory more than five days means retailers staying competitive and adjusting their prices as the season moves will be stocking fruit that was purchased at a price higher than its selling price.





Chilean exporters of winter fruit present their vision for the United States.

Reporting from Santiago, Chile, Isabel Quiroz is managing director of iQonsulting Ltd., a Chilean market consulting company focusing on developing innovative advising solutions for the fruit business.



he business model for international trade in fresh fruits has changed substantially in the last decade. Those changes may have begun earlier, but their manifestation in some companies has been significant in recent times, and the Chilean exporters, who are relevant players in this business, have confronted these changes head-on.

Among the many variations that have taken place in this business, the greatest change is that we are facing a new consumer who is more demanding, more informed and more knowledgeable about fruit and who is not prepared to pay for something that doesn't provide pleasure. If we add to this the emergence of new fruit providers, greater availability of fruit, new and more attractive varieties, and safety and traceability demands, among other issues, we must conclude we face a mature, difficult international market where prices are a variable not controlled by just one country, much less by just one exporter.

In this context, Chilean businesses have undergone several transformations with the goal of better adapting to them. An important aspect is that the large international organizations, such as Dole Fresh

Fruit Co., headquartered in Westlake Village, CA, Del Monte Fresh Produce N.A., Inc., headquartered in Coral Gables, FL, and Chiquita Brands International, Inc., headquartered in Cincinnati, OH, have reduced their operations, concentrating on the most profitable and, specifically, on export activities. Chiquita closed its position in Chile completely and remains purely as an importer.

Other large companies, such as David del Curto S.A. (DDC), Santiago, Chile, were hit early on by high cost structure and, possibly because of this, began restructuring so that today the company faces the crisis on a better footing. In effect, according to Rodrigo Duran, commercial manager, "DDC began a significant restructuring four years ago, selling three fields, the Indomita vineyard and other activities of the organization, incorporating new commercial partners from the Solari family in Chile who brought new capital, and took over 14 percent of the company. The company reexamined the future of the business and finally decided to bring on board more capital, taking possession of 51 percent of the organization and thus control in the last year. The final injection of capital was of some \$800 million U.S. The organi-

zation reduced in size, reduced the number of personnel and improved management. Currently, DDC is balanced, with a clear direction ahead, and prepared to grow. We are examining new investments in Chile and studying possibilities in Peru and Brazil so as to begin a process of going international. People are excited about the organization again."

Currently DDC has three divisions: DDC-Agricola with 1500 hectares in production, DDC-Agroindustria, owner of the processing and refrigeration plants, and DDC-Trading. Each division has its own administration and objectives.

# **Projected Volumes**

"The strategy in Chile is, over a period of five years, to reach 14.5 million cases, some 34 percent more than in the season just past," indicates Duran. For the season just beginning, a volume of about 12 million cases is projected, and DDC will continue with a smaller volume of stone fruits and mid-season grapes, which face price problems, and just carry out programs with supermarkets or direct sales, with a strong position in Europe and

When facing a crisis, adds Duran, "It's better to move with established programs and reduce speculation." DDC has a strong position in China and seeks to consolidate this with more supermarket programs.

Businesses of around two million cases have been the most severely hit in terms of costs. Their operation demands significant administration, raising the costs per case because of the lack of scale. Among the most attractive solutions that have emerged in the last year is the creation of Santiago, Chilebased Scramble, Ltda., a shared-ownership organization in which Francisco Correa, managing director of Ben David S.A., Santiago, Chile, is one of the principal partners. Correa says one of the objectives behind the creation was to reduce administrative costs while focusing on negotiations in packaging and transport and on the great efficiency of the system.

He and his partners hope Scramble will export 5.3 million cases in the 2008/09 season. with fruit from Ben David, Agro-Frio S.A., San Felipe, Chile, Mr. Fruit Ltda, Santiago, Chile, and other producers in the 100,000-to-200,000case segment. The reduced administrative costs in each business will be in the region of 50 percent, even more if the current rate of exchange is maintained (around 600 CLP Chilean peso), says Correa..

"We have diversified in the marketplace and currently have an important position in England and continental Europe, with just 30 percent in the United States. We've begun to use the Scramble brand for 10 percent [of our exports) this year and will reach 100 percent in three years. The season began with the first harvest of Newstar cherries, a new crop for Ben David, on Nov. 15. The rest will consist of stone fruit, kiwis, apples, pears and a greater proportion of table grapes," Correa continues. "The volume will increase slightly to reach 2.2 million cases."

With a significant position in the United States, Agro-Frio is controlled by the Pandol family and will keep the 7 Amigos brand, according to Carlos Herl, general manager. He believes Agro-Frio's directors will approve externalizing export administration upon anason. Nonetheless, Bon emphasizes the need for good quality and condition. "The producers know which section of the plantation they can obtain this type of fruit from — one suitable for long trips. Furthermore, they should focus the production of seedless on obtaining a product of good size, color, taste and condition."

Although it is very probable the total volumes of grapes exported this season will increase, the increase of CFN's exports to Asia will be rerouted from the volume usually destined for the United States, possibly reaching 5 to 7 percent of the seedless. This means

Chilean exporters face a mature, difficult international market where prices are a variable not controlled by just one country, much less by just one exporter.



lyzing the reduction in cost. For this season, Agro-Frio hopes to make 2.2, million cases, of which 90 percent will be table grapes, that will start to arrive in the United States during the first two weeks of December.

Compania Frutera Del Norte, S.A. (CFN), Santiago, Chile, exported 1.75 million cases of fresh fruit during the 2007/08 season, of which 1.6 million were table grapes, according to the Eximfruit 2008 annual report of Chilean exports.

Isaac Bon, CFN general manager and director, spoke exclusively with Produce Business about his perspectives of the season in Chile and CFN's general position in the United States, as well as the changes that have been brewing and pointing to a redistribution of exports of table grapes in most markets. diminishing the participation of the United States during the 08/09 season.

The main markets for seedless grapes from Chile are the United States and Europe, which in the last two months have undergone various types of crises that have tangibly increased the cost of living. The increase in cost of milk products, fruits and vegetables could particularly affect fresh Chilean fruit exports. In this context, it is difficult to predict the consumer's attitude. but Bon believes a way to confront the situation is to diversify the distribution of seedless grape shipments as much as possible, with special emphasis to Asian markets.

This past season, 9 percent of CFN's seedless grape exports went to Asian markets, and the aim is to enhance the standing of these in this market, especially Thompson and Crim60,000 cases won't enter the U.S. market this season. Even though the volume is low in comparison to the 50.9 million cases the United States received in the past season, he believes this year many exporters will avoid the U.S. market, considering the economy, and put their efforts in the Asian market, where CFN has a recognized brand of quality.

CFN's competitiveness in the United States rests on its traceability system, which will undergo an initial test this season. Considering U.S. supermarkets are progressively more demanding about food safety, CFN's traceability will be a highlight with respect to the other suppliers. Bon believes traceability will shortly be a requirement for doing business.

A significant increase in production costs includes table grapes' need for manpower, which is increasingly scarce. An increase of prices at the destination means giving the market the high-quality fruit it demands and diversifying the markets.

Bon states he doesn't want to be a pessimist, but Chile's position in the United States in the 08/09 season seems vulnerable. He points out that the start in Chile could be slowed down by the larger stocks of grapes in California and that the prices of Chilean grapes may be too high.

He believes beginning with reasonable prices to encourage movement and demand — in addition to high-quality fruit — will help the whole industry. "There has to be an effort in the group to send fruit that adjusts to what the market wants," Bon notes.

# Win Big With Texas Produce

Although production is down slightly, the Lone Star State continues to create marketing programs and expand importing efforts.

BY DUANE CRAIG

Sandwiched between Western and Eastern U.S. burgeoning production areas, Texas produce increasingly takes on a regional flavor.

The state boasts an array of diverse growing regions that allow it to supply a slew of fresh fruits and vegetables to surrounding markets and beyond.

John McClung, president, Texas Produce Association (TPA), Mission, TX, can identify very few items the Lone Star State doesn't offer on a seasonal or year-round basis. "Of course, if you are shipping from the Midwest to the East — given fuel costs — it's a lot

cheaper to ship through Texas than it is to come through points in the West. I've seen a trend in the past two or three years toward buying locally as much as possible. Retailers and food buyers should know that Texas is up — we're in full production and we're ready to do business."

Texas' vast growing regions allow it to support a wide selection of crops throughout the harvesting season, explains Ryan Wolverton, operations director, Frontera Produce, Ltd., headquartered in Edinburg, TX. "Produce grown in Texas or Mexican produce passing through Texas is able to supply the Midwest.

"The East and West Coasts have advantages to supplying the coastal produce needs, but shipping out of Texas allows you to supply fresher product to customers in the Midwest," adds Wolverton. "Less miles to travel means you can get the product to your customer in a shorter time once it is harvested from the field. And just like

other major growing areas, Texas has unique conditions where produce can be grown that can't be duplicated anywhere else in the United States."

Jeff Brechler, sales and production with J & D Produce, Inc., Edinburg, TX, agrees, adding, "What we enjoy, here in the valley, is exceptional soil. It's a fertile soil as opposed to a heavy sand that doesn't retain nutrients and requires constant fertilization. Soils are rich and our fertilization programs are more natural and occur less often [than in other regions]. Across the board, the vegetables are sweeter, the citrus is sweeter and we enjoy a unique location here in the valley."

The sweetness is especially apparent in one variety of grapefruit, and the soil as a contributing factor, notes Paula Fouchek, marketing director, Edinburg Citrus Association (ECA), Edinburg, TX. "Our sweet Texas red grapefruit is grown in the southernmost part of Texas known as the Rio Grande Valley, near the warm waters of the Gulf of Mexico. The rich delta soils of the Rio Grande River and the warm, humid climate produce very thinskinned, very sweet and juicy fruit — so juicy, in fact, we say they are heavy for their size."



Texas is one of the five leading states in vegetable production, and in 2006, Texas produced 3.6 percent of the total U.S. vegetable crop, according to the U.S. Department of Agriculture (USDA) National Agricultural Statistical Service (NASS). Since 2004, Texas has also ranked either second or third in production of oranges and grapefruits.

The state produces freestone peaches and in 2007, it turned in a volume of 6,900 tons and produced 5,500 tons in 2008, according to NASS. Peach production ranged between 750 and 9,900 tons between 2002-06, with the low year's figure resulting from drought, lack of winter chilling hours and hail storms. Texas grape production has declined over the past three years from 8,500 tons in 2005 to 4,100 tons in 2007, predominately due to weather events.



Top Texas commodities include carrots, cantaloupes, cabbage, onions and watermelon. Texas also produces significant volumes of sweet corn, honeydew melons, chili peppers, bell peppers, spinach, squash, tomatoes and cucumbers. Production of greens is on the rise.

J & D's Brechler says the Texas-developed BetaSweet maroon carrot is one of the state's more unusual vegetable offerings. "Aside from the obvious color, the other unique aspect is its nutritional benefits. The carrot has increased levels of beta-carotene and the purplish color contains the antioxidant anthocyanin."

ECA's Fouchek says unique grapefruit varieties offer a fresh twist to Texas' offerings. "Another reason that our fruit is special is because Texas is the home to all red grapefruit varieties. It started in 1929 when a Ruby Red was found growing on a pink grapefruit tree. Since that time, newer varieties, such as the Rio Star, which is seven to 10 times redder than the Ruby, have been developed by Texas scientists. The skin of the Rio has an overall deep blush on the exterior peel as compared to the yellow skin of the Ruby with touches of blush on the peel.

"The unique sweetness of our grapefruit is an extremely important reason why our fruit is special," she adds. "It just becomes more versatile. Segments of our grapefruit taste great with other fruits and yes, even with vegetables. Sweet segments can top a salad, sizzle in a salsa or create a captivating dessert. And because of this versatility, our Texas red grapefruit can be easily promoted and enjoyed during the fall and winter holidays as well as special events such as Super Bowl and Valentine's Day. We always encourage people to stop by our Web site for exciting recipes and merchandising ideas."

Frontera's Wolverton likes to highlight Texas' contribution to the sweet onion category. "Every growing area throughout the United States has its unique items and consumers know when they are available," he says. "Every February - like clockwork - Frontera begins fielding calls as to the status of our Texas 1015 onion crop and when it will be available. There is an anticipation and excitement when the first bags of the new crop come off the line and you know that there are consumers waiting to buy that bag."

### INNOVATIVE MARKETING

The Texas Department of Agriculture (TDA), Austin, TX, as well as other state organizations, figure prominently in the marketing of Texas produce. "Suffice it to say that food is a big industry in Texas," states Bryan Black, assistant commissioner for communications. "Food marketing is a

# **Imports On The Rise**

hile some argue Texas has pulled back as a fresh fruits and vegetables supplier, John McClung, president of the Texas Produce Association (TPA), headquartered in Mission, TX, points out the state is shipping more produce than ever before. "It's a little over half imports and the other half is domestic production," he explains. "We're importing large volumes of onions, huge volumes of watermelons and other melons. We're importing a lot of carrots and a lot of tropicals such as mangos, papava and avocados."

This is consistent with national trends. According to Increased U.S. Imports of Fresh Fruit and Vegetables, a report conducted in September 2007 by U.S. Department of Agriculture (USDA) Economic Research Service (ERS), the United States has "increasingly become a net importer of fresh produce." Not surprisingly, the lion's share of those imports in total comes from Canada and Mexico, but when it comes to fresh fruit, 36 percent of the U.S. imports are actually coming from Central America.

Mexico continues to increase shipments bound for the United States. In 2005, Mexican fresh fruit and vegetable imports through Texas equaled 1,552,685 tons, while that number totaled 2.020,490 tons in 2007.

Acknowledging weather events and their

effects on crops, McClung adds that the Mexican imports are largely grown by U.S. firms in Mexico. McClung goes on to talk about how much of the Mexican imports are actually grown with U.S. dollars in Mexico, so they are imports from Mexico that are grown by U.S. firms for U.S. consumers with U.S. dollars. "We're seeing incremental increases every year in most Mexican commodities. We are at the point, and have been for several years now, that over half of the vegetables and the tropical fruit that we sell to both the Texas market and to the rest of the world are imported from Mexico.

"The important thing to know about that is it's not accurate to simply portray them as Mexican imports," he stresses. "These are fruit and vegetables that are produced largely with U.S. dollars to U.S. specifications and that are always intended for the U.S. market. The fact that they are being produced in Mexico or Central America or South America is a geographic reality, but it is not without heavy involvement from U.S. producers.

You have to look at the geography and the history of the development of the Mexican industry. Mexico has no provision in its banking system for production loans. As a Mexican farmer, you can't go to the bank and get a loan to get your crop in. That's why U.S. importers have effectively bankrolled Mexican producers."

big deal for us, too."

TDA's food marketing program, along with regional field marketing staff, help build recognition for Go Texan and Texas foods through a wide variety of activities, such as coordinating Go Texan promotions at retail, food fairs and festivals across the state; establishing a strong Texas presence at state, national and international trade shows; and spotlighting Texas foods through regular mail-outs to food editors at newspapers across the state with articles, recipes and story ideas for Texas products. The program also links buyers interested in Texas food products with the Go Texan members that produce them and coordinates Go Texan food fairs, seminars and workshops for school foodservice buyers at school districts across the state to encourage and increase the purchase of Texas food.

The state produces an incredible array of food, and Black points to a myriad of entrepreneurs and manufacturers that are turning those raw products into highly marketable commodities.

Fresherized Foods, Fort Worth TX, uses ultra-high pressure processing for foods, beginning with avocados. "As a foodservice avocado supplier, we have the advantages of being a centralized manufacturer in the United States," explains Cindy Wong, vice president of foodservice sales. "We offer superior-tasting Fresherized avocados and competitive freight rates to our distributors so our customers and end users can ultimately benefit from our quality avocado."

According to Frontera's Wolverton, "Promotional support throughout the state has been enormous over the years. The avenues to promote locally grown items at a hometown grocery store or provide a restaurant the chance to add a feature of Texas-grown produce to its menu is a great opportunity. Texas 1015 onions, Hempstead watermelons and Texas cabbage are just a few of the items that help support the locally grown

# Edinburg Citrus ASSOCIATION SINCE 1932 So Sweet... Eat it to **Believe It!** Grapefruit & Oranges Call Today! 956-383-6619 WWW.TXCITRUS.COM

# **Crop Production**

he citrus industry is looking at a year similar to this past year, and harvests that began in October will be trending upward as the year draws to a close, reports John McClung, president, Texas Produce Association (TPA), Mission, TX. "We lost somewhere between 10 and 20 percent of our grapefruit to Hurricane Dolly. Ike did not affect us, but Dolly did and that has also resulted in larger sizes. There is an offset there and the general sentiment is some producers, particularly those on the east side of the valley, which is closest to the gulf where Dolly came ashore, have suffered significant loses. The losses were less in the West's primary production areas. We are looking at a satisfying fresh market of about eight to 10 million 40-pound cartons."

McClung says the citrus mix is about 75 percent grapefruit and 25 percent oranges. The citrus-growing acres are stable at about 28,000, but it's a small amount compared to Florida's more than 600,000 acres and California's 350,000 acres. Still, Texas has the lion's share of fresh red grapefruit.

Grapefruit production in Texas is forecast to be down about 17 percent from the past year, according to the U.S. Department of Agriculture (USDA) National Agricultural Statistical Service (NASS). Over the past five years, grapefruit production has ranged between 5.2 and 7.1 million boxes. Oranges are forecast this year at 1.74 million boxes, about 12 percent lower than the 2006-2007 season. During the past five years, production of oranges has ranged between 1.5 and 1.9 million boxes per year.

McClung expects a strong winter vegetable deal from Texas, but thinks items such as hot peppers will drop due to recent foodsafety issues. "We put in our onions mid-October. A lot of other crops go in at about the same time and we have no reason at this time to think we will not have a successful vegetable season," he says. "We've had plenty of moisture since we had more rain this year than anytime in recent history, so we have good groundwater and reserves in the reservoir."

According to NASS, the amount of produce actually grown in Texas has been trending downward for the past five years. Carrot production in 2007 was 30 million pounds, a steep decline from its recent high in 2004 of 704 million pounds. Watermelons weighed in at almost 422 million pounds in 2007, down from 770 million pounds in 2003. After declining in 2004 and 2005, watermelons rebounded in 2006 with a little more than 723 million pounds. Cabbage production in 2007 was 145.8 million pounds down from highs in 2003 and 2004 of 323.7 million pounds. Cantaloupes equaled 43.2 million pounds in 2007, down from 204 million pounds in 2003. Spring onions dropped to 312 million pounds in 2007, down from a high of 465 million pounds in 2005, and summer onions came in at 40 million pounds in 2007 after a high in 2004 of 103.6 million pounds. This was, however, an upward jump from summer onion's previous low of 21.6 million pounds in 2006. pb

initiative. Even outside the state of Texas, Frontera Produce has seen a large increase in requests for the Texas 1015 onion due to its uniqueness and seasonality."

### ADAPTING TO CHANGE

Some factors affecting the Texas produce industry are more systemic to the produce industry in general and seem to call for innovation regardless of where the produce is grown or shipped from. "The produce industry in general is changing," explains Frontera's Wolverton. "Food safety and traceability are two areas that have seen the biggest impact over the past year. For example, Frontera has a vigorous quality-assurance department that works with our production team on a daily basis to ensure

every possible precaution is taken during the packing process. Our operations team and information technology department have been working on establishing an efficient way to integrate traceability at the case level. Over the past few months, we have run very successful beta tastes that not only allow us to tag at the pallet level but also to have traceability back to the case level."

Finding ways to reinvent how you do business while maintaining your company's core is important, adds Wolverton. "That may be something as simple as planting a new seed that grows faster and tastes sweeter. Another example may be the way you irrigate - flood or drip. You want to find the most sustainable and efficient growing practices possible."

# Florida Strawberries Make Retail Splash

Bountiful strawberries take center stage in the produce department thanks to consumer education, promotional efforts and great-tasting fruit.

# BY COLLEEN MCGINN

The Florida strawberry region has made great strides and holds on tight to its Winter Strawberry Capital of the World title.

> But when growers entered this unproven market about eight years ago, they got off to a rough start. In Florida's wet, humid environment, growers struggled to find a variety that could produce goodtasting fruit that shipped well. Back then, most people didn't know Florida produced strawberries in the winter and most consumers considered strawberries a summer fruit.

> These factors that created barriers to market have since disappeared. In 2007, Florida growers sold \$329 million worth of strawberries, up from the \$167 million in 2000. This rapid growth is due to several factors, such as better berries, a strong marketing effort and consumers making strawberries part of their year-round diet.

> The Florida Strawberry Growers Association (FSGA), Dover, FL, has been instrumental in creat-



ing awareness about Florida strawberries. This season, it is taking a multi-tiered approach to promotion, starting with the message, Nutritious and Delicious — Florida Strawberries — A Taste of Summer All Winter Long. "Our message will let everyone know when our fruit is available, how it is grown and the convenience and health benefits of eating fresh Florida strawberries," states Sue Harrell, marketing director, "Nutrient-dense foods are those providing the greatest amounts of vitamins and minerals with the fewest calories, and strawberries fit the bill. FSGA is broadcasting its message primarily to the national, regional - east of the Mississippi - and statewide media.

FSGA is also focusing on product placement. "One of our projects will be to send product — baskets of Florida strawberries - to television news anchors and weather reporters for on-air use. Facts to share with viewers will be included with the baskets," Harrell explains. Promotional efforts will also include reaching consumers with the Florida strawberry message through television, radio and newspaper interviews as well as press releases and special promotions.

Maintaining the healthful reputation of Florida strawberries and communicating food- safety issues to retailers is also at the forefront of this season's campaign. FSGA has created a poster for retailers to use as a guide about Florida strawberry storage, handling, selection and sales for store employees.

The marketing division of the Florida Department of Agriculture and Consumer Services (FDACS), headquartered in Tallahassee, FL, has focused on promoting Florida strawberries via supermarket store ads. More than 10,000 stores cooperate with its strawberry promotions and incentive programs. Dan Sleep, development representative supervisor, points to a strong correlation between store ads and the industry's growth. "Advertising works. Thanks in part to FDACS' relationship with major retailers, growers have experienced record sales year after year."

FDACS started working with the strawberry industry in 2003, after several years of declining sales. "We took 13 million flats and grew that to 22 million by 2007. It's a winwin. We put a lot of money into the stores and to teach people our product is available in volume," Sleep adds.

The wildcard for all growers — especially Florida growers — is the ever-present threat of inclement weather. "Everything is good so far, we are right on schedule and we haven't been impacted by the hurricanes," reports Bob Hinton, sales manager, Hinton Farms Produce, Inc., Dover, FL.

The National Oceanic Atmospheric Administration (NOAA) Climate Prediction Center (CPC), Camp Springs, MD, predicts December, January and February will be in the high-normal range and not subject to any weather patterns such as El Niño and La Niña.

### **FESTIVAL SUCCESS**

Festival strawberries have been the mainstay of growers for the past six years and a main reason yields have grown. "It produces a fruit with a lot of meat inside, it's firm enough to ship and it fits into 1-pound

clamshell containers," notes Craig K. Chandler, PhD, professor of horticultural science, University of Florida (UF) Gulf Coast Research and Education Center, Wimauma, FL. "It would be safe to say this variety has changed the face of the Florida strawberry region because it resists rain, tastes good and has a firmness of texture that can withstand shipping to distant markets."

"The industry has come a long way in the past several years because of varieties that have been introduced by UF, including Festival, and that is what we are now using," states Hilton. "It's very good compared to what we had several years ago."

Other growers agree about the success of Festival and plant it across the region. For Astin Strawberry Exchange, headquartered in Plant City, FL, Festivals made up 70 percent of its 2007-08 crop. "Festival is a good-tasting berry and it holds up so we can ship those further out of state," according to Shawn Pollard, sales manager. "The season has gotten longer because the varieties have gotten so much better."

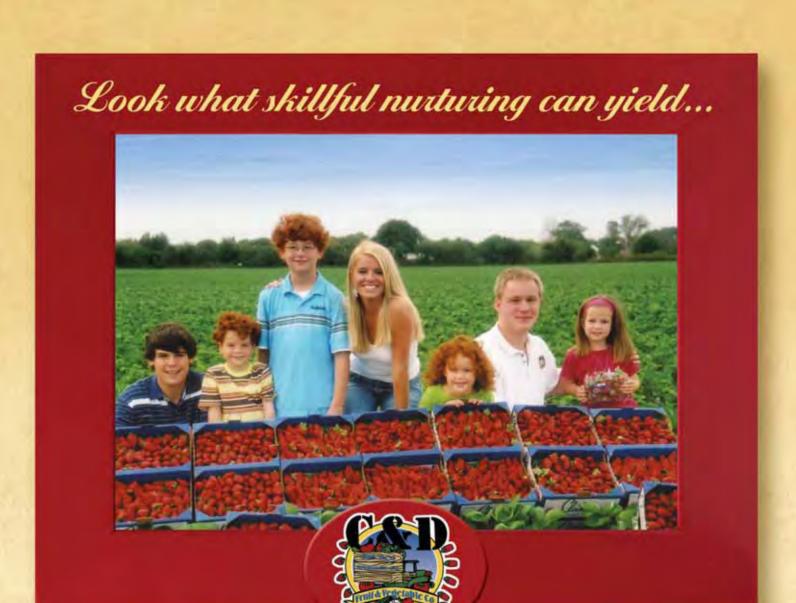
Although Festival has done remarkably well, other growers, such as Watsonville, CA-based Driscoll Strawberry Associates, Inc., which has growing operations in Dover, FL, have developed their own proprietary varieties to grow. "We're excited about some of the new varieties in the pipeline, and we

# **Ensuring Food Safety**

onsumers are tuning into food-safety issues. "If we have a recall like the tomato industry's, it will be the end of us," states Lance Ham, president of I Farm 4 U, Plant City, FL, referring to the salmonella scare mistakenly linked to Florida tomatoes. "You don't need to have facts —people just need to believe there's a scare and your business is gone."

Gary Wishnatzki, president, Wishnatzki Farms, Plant City, FL, reacted quickly to the scare by implementing a system that can trace every clamshell packed back to the exact picker. "It's about quality control and accountability. We've also been able to use the system to gain feedback from retailers — bad and good. It's great to tell the workers and growers good job when feedback is good, and on the odd occasion it's bad, we can use it to fix the errors. It's an invaluable continuous improvement system, and we can make decisions based on the traceback system. It's not only about food safety but it's also about quality control."





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look forward to introducing them to our customers," explains Valerie Sill, strawberry business manager.

### RISING CONSUMPTION

Discriminating consumers have noticed the quality of Florida berries. "My customers buy [based on] quality, and they appreciate the look and taste of Florida strawberries," says David Lukens, produce manager, Akron's West Point Market, a single-store operation in Akron OH. "They're the type of people who drive 20 miles to this market. They're looking for the best, and they buy quality not price." Lukens looks forward to the winter season because he prefers the taste and texture of Florida strawberries. "When they're in season, we use Florida berries in our gourmet deli for salads, in our bakery for cake fillings and toppings, and everywhere in our store."

Despite the recent economic downturn, growers are optimistic. "We're looking forward to a good year. People are concerned about saving money and they're staying home and eating," says Hinton Farms' Hinton.

Consumers are becoming aware of the health benefits of strawberries and have added them to their diets, asserts Gary Wishnatzki, president, Wishnatzki Farms, Plant City, FL. "I think strawberries are a staple. Certainly their positive health benefits are important. Demand continues to grow even in the face of all the economic news. People are still eating strawberries."

Harvesting during the holiday season has been a boon to growers. "The harvest cycle is in sync with Christmas and New Year's, and we have the supplies," notes Astin's Pollard. "Usually the best fruit of the season is at Christmas. It's new crop fruit and some of the best we have. We ship to the East, Northeast, Mid-Atlantic and Canada. We also have a lot of local demand in Florida."

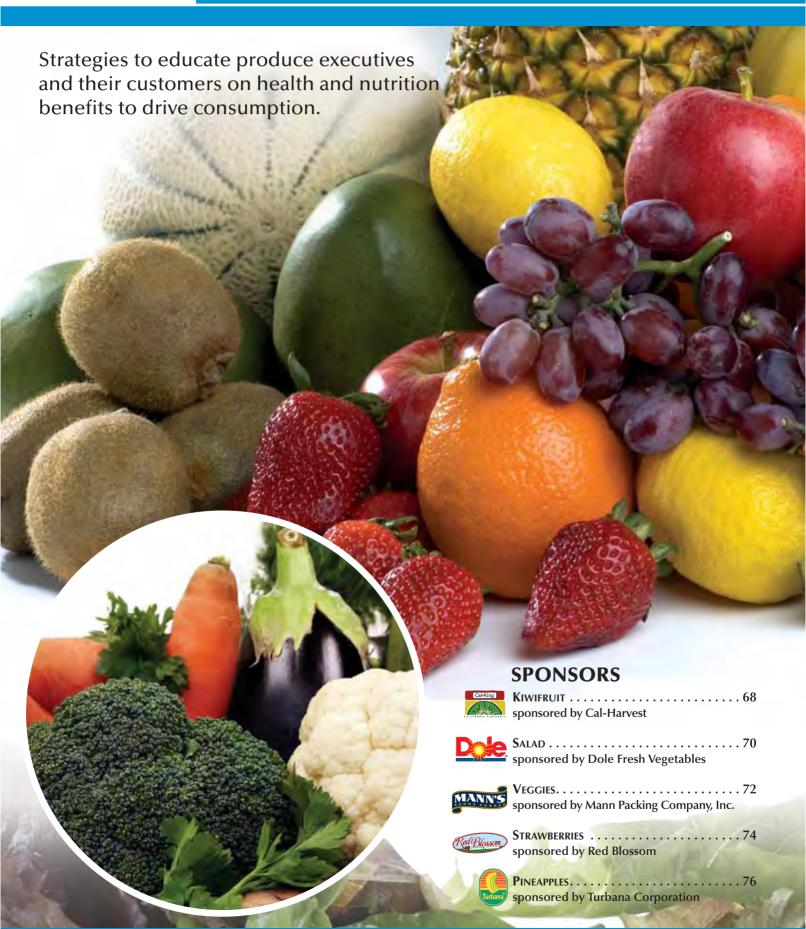
# **DEMAND FOR ORGANICS**

Consumers have been asking for organic strawberries. "We can't keep up with demand," explains Wishnatzki Farms' Wishnatzki. "It's hard to grow organic berries in Florida — the price would have to be too high. We're trailblazers and it's difficult, but we're on board. We're not ready to try that now, but there are those who see the market for organic berries growing and they're looking to exploit the possibilities. We're still learning and trying to figure out how to get our production numbers up. We're not expanding because we need to perfect what we're doing first, then we'll expand rapidly."

If Florida growers can make conventional strawberries an economically viable crop, perhaps organic strawberries are next. **pb** 



# **HEALTH INITIATIVES**





# **HEALTH INITIATIVES**



Cal-Harvest Marketing, Inc. 8700 Fargo Ave., Hanford, CA 93230 Tel: 559-582-4000 Fax: 559-582-0683 Website: www.calharvest.com

# Interview with John Fagundes, President, Cal-Harvest

Cal Harvest Marketing, Inc., a large grower of kiwifruit, was formed in 1988 and is owned by Fagundes Agribusiness, based in Hanford, CA. Cal Harvest markets fresh fruit in North and South America and the Pacific Rim.

Q: Can you point to the nutritional properties in your product that make it an essential part of a healthful diet?

A: Kiwifruit, already on Dr. Steven Pratt's elite list of SuperFoods, has been found to be among the highest in bio-availability compared to other anti-oxidant rich fruits and berries according to research at the USDA's Arkansas Children's Nutrition Center in Little Rock. Dr. Ronald Prior and his team also claim, "Learning that antioxidants should be consumed with every meal, and if you routinely skip antioxidants in your diet, over time, the excess number of free radicals being produced may begin damaging cellular components, ultimately leading to atherosclerosis and cancer."

**Q:** What are the latest news flashes/surprises regarding health/nutrition benefits of eating your product?

A: Bite for bite, kiwifruit contains more essential nutrients than 27 of the most popular fruits, as proven by a Rutgers University study, making it one of the most nutrient-dense fruits in the world.

Recent research conducted by the University of Oslo in Norway reveals that consuming two to three kiwifruit per day can work to thin blood, reduce clotting and lower fat in the blood that can cause blockage. In short, kiwifruit consumption has similar effects to the daily dosage of aspirin recommended by physicians to improve heart health.

**Q:** Are there any notable health reasons to target specific demographics or age groups with your product?

A: Kiwifruit is popular among children because of its small size, convenience, sweet taste and colorful appearance! And because of its nutritional value and year-round availability, moms love it, too. Kiwifruit is also popular among adults and senior citizens. Research has linked it to reducing the risk of age-related macular degeneration, the leading cause of irreversible blindness in older Americans.

Kiwifruit also has a moderate-to-low glycemic index of 52, making it a safe choice for those with Type 2 diabetes.

**Q:** Are there simple, catchy phrases to market the health benefits of your product?

A: Here are some messages developed by Cal Harvest and the kiwifruit industry: Fuzzy Fruit — Fabulous Flavor, Power UP with Kiwifruit — A Nutritional Superpower, Kiwifruit — The New SuperFood, Green Kiwifruit — The Classic Original — A Super Tropical-Sweet Sensation, Organic — 100% Super Natural Quality, Chewable Vitamins, Lean, Green Kiwifruit Machine.

Q: How does your product deliver a powerful punch of nutrition? Do studies back up these claims?

A: Many studies, available on the Cal Harvest and industry Web sites, support the previously mentioned health claims. Green kiwifruit also works well as a natural digestive aid and may help relieve asthma symptoms in children.

**Q:** Since the FDA has strict guidelines on what health claims a company can make, what can be advertised or put on your product's labels?

A: FDA has approved the following nutrient content descriptors for kiwifruit: low-fat, saturated fat-free, sodium-free, cholesterol-free, high in fiber, high in vitamin C, a good source of vitamin E and a good source of potassium.

**Q:** What challenges do you face in getting the health message about your product to consumers and what solutions can you offer?

A: Though kiwifruit has been readily available in North America for many years, some consumers have never tried one. Efforts should always be made to get consumers to try the fruit and experience its unique taste year-round. California produces the most volume of fruit October through April, Chile offers fruit April



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through August, New Zealand exports kiwifruit to North America June through October and Italian kiwifruit comes in January through April.

**Q:** What are the best strategies to relay nutritional/health information to consumers on the retail floor?

A: Display: Display kiwifruit next to other SuperFoods such as avocados, blueberries, oranges, broccoli and pomegranates to form a "Power Aisle," and display kiwifruit sliced and over-wrapped.

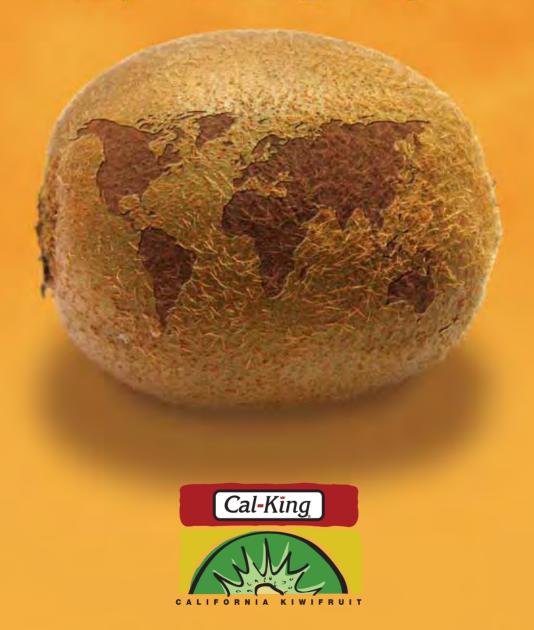
Point of Purchase/Signage: Signage should promote the health and nutritional benefits of kiwifruit. Make sure consumers see placards showing the ease of cutting and scooping the fruit. It can also be eaten whole (skin included) once the fuzz is rubbed off.

Offer in-store demos: Most people will buy kiwifruit after sampling it.

Sell in multiple pack styles and sizes: Give consumers a choice by placing bags or multi-unit packages with bulk displays.

Advertise: Sales increase as much as three times when advertised.

# A world of kiwifruit profits at your fingertips



The "Cal King" label of kiwifruit represents one of the largest kiwifruit growers in California. This label is marketed by Cal Harvest Marketing, Inc., a family-owned farming and marketing organization that has been at the fore-front of the kiwifruit industry in California since the 1970's. This kiwifruit has been grown, picked and packed with care and pride for over 30 years. The label is now available in both conventional and organic styles. Cal Harvest also markets kiwifruit from Chile and New Zealand to assure you have a high quality, year-round source of kiwifruit.

For information contact: Donna Fagundes • donnaf@calharvest.com • John Fagundes • john@calharvest.com



# **HEALTH INITIATIVES**



**Dole Foods** One Dole Drive, Westlake Village, CA 91362-7300 Tel: 1-800-356-3111 Website: www.dole.com

# Interview with Jennifer Grossman, Vice President, Dole Nutrition Institute

Dole Food Company, Inc. is the world's largest producer and marketer of fresh fruit and vegetables. Chairman and owner David H. Murdock started the Dole Nutrition Institute nearly six years ago to "feed the world with knowledge" through publications, Web sites, videos, articles, packaging and consumer outreach. The institute's main mission is to educate the public about the benefits of fruit and vegetable consumption, while also providing nutrition marketing, labeling and research support for internal Dole divisions.

Q: How can you distinguish your product from the pack and all the competing nutrition information as people focus more on the obesity epidemic?

A: Simply put, eating our products – specifically salads — is the solution to the obesity epidemic. Fruit and vegetables have low-energy density, a fancy way of saying they have very few calories compared to other foods, pound for pound. Compare a pound of spinach (104 kcals) to a pound of potato chips (2247 kcals) and you'll see what we mean. Not only does the spinach have fewer calories, but it also has a much higher water and fiber content, which helps fill you up so you eat less of other, more fattening foods. Leading scientists are exploring the link between obesity and nutrition deficiencies.

A balanced meal with salad can nearly fulfill your requirements of several key nutrients, providing a deeper sense of satiety and curbing the overeating cycle. Researchers have proven when you start with salad, you consume fewer calories overall. Pennsylvania State University researchers found women who began their meal with a salad ended up eating 100 fewer calories in total.

**Q**: Tell us something consumers may not realize about how your product can improve health and well-being.

A: While consumers may associate certain nutrients with certain products spinach and vitamin A, for example — they may not realize particular foods contain groups of nutrients at specified levels working synergistically to deliver targeted health

benefits. This is the concept behind our Dole Superfoods campaign. Our scientists looked at the body of medical literature establishing health benefits for key nutrients and set out to see which foods contained them. The result is over eight Superfood categories that promote health in eyes, heart, brain, bones, etc.

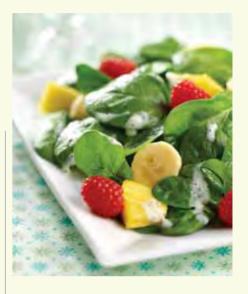
Many of our salads qualify for multiple Superfood categories. For example, Dole Classic Romaine packaged salad qualifies as a Superfood for the eyes because it is an excellent source of the vitamin A (90 percent) needed for proper eye functioning. It also contains over 2,000 micrograms of lutein and zeaxanthin, which protect the eye from the sun's damaging rays. Diets rich in these carotenoids and vitamin A, in the form of beta carotene, are associated with a reduction in the risk of developing age-related macular degeneration (AMD), the leading cause of blindness in the elderly.

**Q**: Are there any notable health reasons to target specific demographics or age groups with your product?

A: Yes! Adolescents ages 14 to 18 are as a group falling down on key nutrients needed for development and health maintenance. For example, 97 percent of adolescents fail to get enough fiber — almost all Dole Salads contain some fiber and offer a convenient, healthful way to get what you need. Harvard researchers found middle-aged women who ate the most leafy greens and/or cruciferous veggies boosted their odds of maintaining mental sharpness in later years, and those who ate at least three servings of spinach and broccoli actually did better on cognitive tests than those who ate less.

Q: Are there any myths or confusing nutrition information about your product that you'd like to clear up?

A: A serving of iceberg lettuce actually provides nearly a quarter of your daily needs for vitamin K, higher intakes of which are linked to a 65 percent lower risk of fractures among the elderly. It's a decent source of the antioxidant quercetin, linked to lower Alzheimer's risk and a lower risk of catching colds and viruses. It also supplies



lecithin, which helps promote healthy skin.

Celery is also hugely underrated. It is an excellent source of vitamin K and a good source of folate, potassium and vitamin C. Scientists from Case Western Reserve University just found the celery phytonutrient apigenin may slow prostate tumor growth.

**Q:** Are there any simple, catchy phrases that could be used to market health benefits of your product?

A: That's what the Dole Superfoods campaign is all about — we wanted the message to be simple and concise enough to put on a banana sticker or call out on a head of cauliflower. We can guickly and powerfully communicate that spinach is an "Antioxidant Superfood" and provide a URL to drive consumers to a Web site to get more information, details about our labeling criteria, recent studies and the like.

**Q:** Since the FDA has strict guidelines on what health claims a company can make, what can be advertised or put on labels of your product packages?

A: Simple nutrient content claims can be added to all our products letting consumers know it's not just a case of what's NOT in the product — sugar, sodium, fat, cholesterol etc. — but what IS in it — vitamins and minerals. For example, Dole Field Greens packaged salad contains over 100 percent of vitamins K and A. Dole packaged salads can also display FDAapproved health claims. For example, Dole Baby Spinach and Radicchio can display the following: "Diets containing foods that are good sources of potassium and that are low in sodium may reduce the risk of high blood pressure and stroke."



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# HEALTH INITIATIVES



Mann Packing Company, Inc. 1250 Hansen Street, Salinas, CA 93901 Tel: 800/884-MANN(6266) Website: www.veggiesmadeeasy.com

# Interview with Gina Nucci, Director of Food Service Marketing, **Mann Packing Company**

Mann Packing Company, a pioneer in the fresh produce industry, introduced the first fresh-cut broccoli floret package in the 1980s and funded the first nutritional study on broccoli. It is a leader in innovative packaging and development of exciting new fresh-cut vegetable products.

The company was founded by H.W. "Cy" Mann, a Stanford graduate who came to the Salinas Valley in search of employment in the 1930s. Today it distributes more than 35 fresh vegetable commodities under its Sunny Shores label as well as a variety of value-added retail and foodservice products, including Broccolini Sweet Baby Broccoli, Broccoli Wokly, Broccoli Cole Slaw, Stringless Sugar Snap Peas, Romaine Hearts, Simply Singles Whole Leaf Singles and fresh-cut sweet potatoes.

**Q:** As America fights the obesity epidemic and other health problems, consumers are inundated with the nutritional values of just about everything. How can you distinguish your product from the pack?

A: We have America's Vitamin Vegetable on each of our fresh-cut vegetable products. We also highlight the nutrition information with a 'nutrition deck' or summary on the front of each package.

We are also lucky in that we're not the only ones advertising the health benefits of broccoli. Everywhere we look, we see a new study publicized about broccoli as super food. It's hard to ignore a readilyavailable and affordable food that offers so many health benefits.

**Q:** Tell us something consumers may not realize about how your product can improve their health and well-being.

A: An article published in The Buffalo (NY) News (Aug. 26, 2008) reports the isothiacyanates (ITCs) in broccoli appear to boost the body's ability to fend off cancer and trigger cancer-cell death. Broccoli fights many cancers, including bladder, colon, breast and prostate cancers. Broccoli was also found to improve immune system response and boost cardiovascular functioning. Researchers from the University of Warwick in England report broccoli has been linked to a lower risk of heart attack

and stroke, and may be able to reverse the risk of diabetes (BBC News, Aug. 5, 2008).

**Q:** Are there any notable health reasons to target specific demographics or age groups with your product?

A: Broccoli can be especially beneficial for baby boomers because of its cancerfighting benefits. The Roswell Park Cancer Institute in Buffalo, NY, recently discovered that three small servings of broccoli per month can slash the risk of colon cancer by 40 percent. UCLA researchers discovered eating broccoli can boost the immune system and may even prevent some expected age-related declines in immunity.

**Q:** Are there any myths or confusing nutrition information about your product that you'd like to clear up?

A: Our broccoli products are full of fiber. One medium spear has three times more than a slice of wheat bran bread, according to the USDA.

**Q:** Can you come up with simple, catchy phrases that could be used to market health benefits of your product?

A: We've already created a new slogan and logo: For a Healthy Active Lifestyle. Because all vegetables are healthful for you, this communicates the ease of preparation along with the goal of having a balanced, healthful diet and lifestyle.

Q: Can you point to studies backing up the nutritional claims of your product?

A: John Hopkins is continuing to do studies on the phytochemical components in broccoli. its studies show a phytochemical concentrate to reverse and prevent skin cancers. The USDA nutrient database reports broccoli is the richest source of vitamin A in the produce section. Boiled broccoli has more vitamin C than an orange and as much calcium as a glass of milk.

**Q:** Since the FDA has strict guidelines on what health claims a company can make, what can be advertised or put on labels of your product packages?

A: Each product is different. A variety of our statements include high in vitamin C,



naturally low in carbs, good source of folate, good source of fiber, high in antioxidants, and preservative free.

**Q:** What challenges do you face getting your health message to consumers and what solutions can you suggest?

A: We believe all consumers know vegetables are healthful. They just don't necessarily know all the easy, tasty ways to prepare them.

Www.veggiesmadeeasy.com, our Web site, is full of creative recipe ideas about how to add veggies to meals, from sweet potato hash to easy Asian stir fry. Streaming videos teach just how easy it is! We believe if we follow through with our mission -Fresh Veggies Made Easy — consumers will keep buying our products because they improve their quality of life and health.

**Q:**What are the best strategies to relay nutritional/health information to consumers on the retail floor?

A: Providing healthful recipe and usage ideas is a good start. Consumers have a renewed interest in cooking healthful, flavorful meals at home but some need guidance on getting started. We can use a variety of tools such as innovative displays, instore magazines and weekly advertising circulars, to cross-promote healthful products. In-store demos and wellness programs also reach shoppers. It's important to make veggie consumption as easy as possible.

# Winners!

















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## **HEALTH INITIATIVES**



Red Blossom Sales, Inc. 162 Montgomery Avenue, Oxnard, CA 93030 Tel: 805-981-1839 Fax: 805-981-1842 Website: www.redblossom.com

# Interview with Michelle Deleissegues, Director of Marketing, Red Blossom Sales, Inc.

Red Blossom Farms has over 1500 acres in California's premier growing regions: Baja California, Irvine, Oxnard, Santa Maria and Salinas/Watsonville. With strawberry consumption growing faster than any other fruit in the produce department, Red Blossom is meeting this demand with a continuous supply of sweet, delicious, strawberries 11 months of the year.

Q: How can you distinguish your product from the pack and all the competing nutrition information as people focus more on the obesity epidemic?

A: Many dieticians consider strawberries to be a Superfood because they are high in nutrients and low in sugar. One serving of strawberries — about eight strawberries provides more vitamin C than an orange. Strawberries have significant fiber, potassium and phytochemicals. Studies report people who eat higher amounts of total fiber have a lower risk of heart disease. Potassium is important to balance electrolytes, aid muscle contractions and maintain healthy blood pressure. Antioxidants (including vitamin C) are key to warding off chronic diseases and promoting optimum health.

**Q**: What are the latest news flashes/surprises regarding health/nutrition benefits of eating your product?

A: In a recent study, strawberries ranked second among the Top 10 fruits in antioxidant capacity — one reason they may help prevent cancer and heart disease. They are rich in phenolic compounds such as flavonoids and ellagic acid, which are the focus of intense study due to their antioxidant, anti-cancer and anti-mutagenic properties. The majority of flavonoids in strawberries are anthocyanins, the compounds responsible for the blue, red and purple hues of berries, grapes and other fruits. California strawberries are now certified by the American Heart Association (AHA) and may display its heart-check mark.

**Q:** *Are there any notable health reasons* to target specific demographics or age groups with your product?

A: The heart health benefits may make

strawberries particularly appealing to those groups with higher risk of heart health issues, but strawberries are so diverse in their nutritional benefits that they really appeal to every demographic.

**Q**: Can you connect your product's nutritional properties to health issues consumers can understand?

A: Consumers are increasingly nutritional savvy so relaying strawberries' wide ranging benefits is key to providing consumers with the information they want. When they see AHA heart-check mark, they know a food meets AHA's strict criteria for low levels of total fat, saturated fat and cholesterol. The Produce for Better Health Foundation's More Matters campaign is another useful tool that is widely recognized by the industry and public.

Q: How does your product deliver a powerful punch of nutrition? Can you point to studies that back up these claims?

A: Strawberries are one of nature's most healthful "packages" of power nutrients. The completion of exciting new research should provide even more reasons to enjoy strawberries year-round. Nutrition scientists are looking beyond traditional vitamins and minerals to understand the actions of hundreds of other compounds in plant foods, as well as the protective power of the whole foods themselves.

Researchers at the USDA Human Nutrition Research Center on Aging at Tufts University showed that strawberry extract slowed the age-related decline in cognitive function. The same research group is conducting new studies to determine the effect of strawberry supplementation on behavioral aging,) the repair and regeneration of nerve cells in aging and resistance to oxidative stress or inflammation.

Strawberries contain a multitude of cancer-fighting compounds, including vitamin C and folate, anthocyanins, quercetin, kaempferol and ellagic acid. Very few foods or their compounds have been shown to reduce risk of some cancers. However, strawberries and/or their constituents have shown promise in both cell culture and epi-



demiological studies. The California Strawberry Commission (CSC) is supporting studies in esophageal and oral cancer in cooperation with the Ohio State University Cancer Chemoprevention Program.

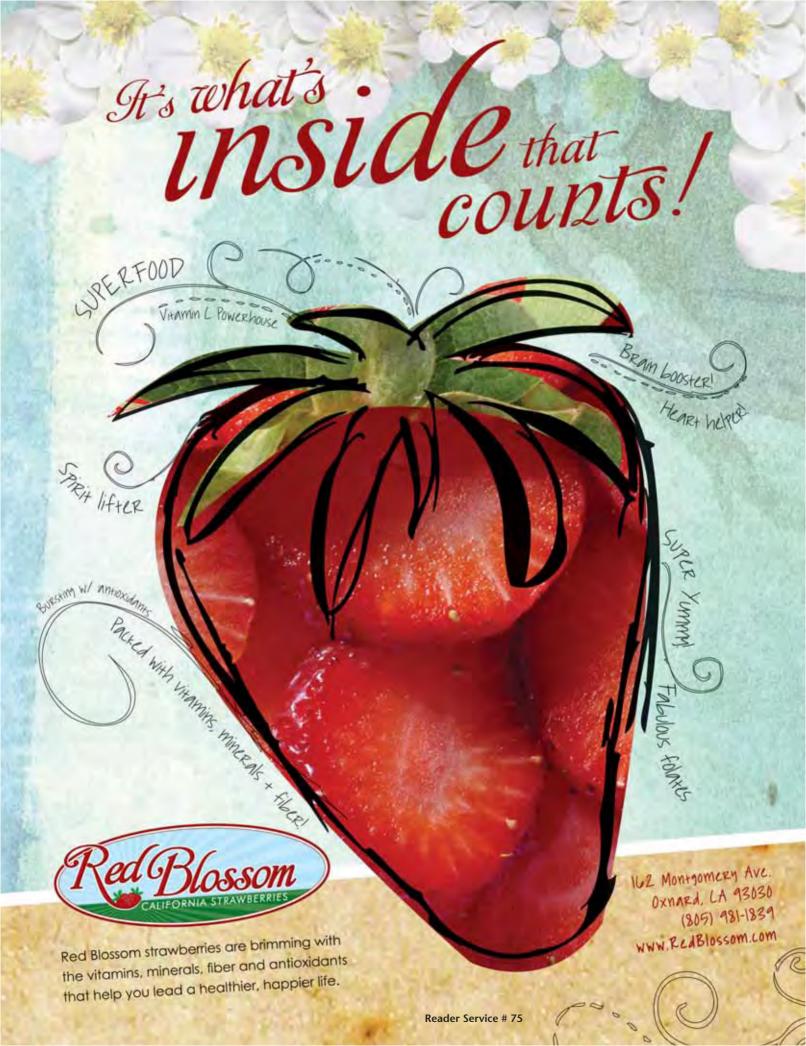
Research is ongoing to evaluate the impact of strawberry consumption on blood pressure, cholesterol levels and inflammatory markers that are drivers of heart disease. Clinical studies are underway at the University of California, Los Angeles, University of California, Davis, the USDA Western Human Nutrition Research Center and the University of Toronto.

**Q:** Since the FDA has strict guidelines on what health claims a company can make, what can be advertised or put on your product's labels?

A: We recommend saying strawberries have more vitamin C per serving than an orange; are naturally low in sugar - only eight grams per serving; rank second among the Top 10 fruits in antioxidant capacity; and may help reduce the risk of heart disease, fight some types of cancer and lower blood pressure.

**Q**: What are the best strategies to relay nutritional/health information to consumers on the retail floor?

A: Retailers have a tremendous opportunity to educate their customers and help them make healthful choices. Giving produce department employees special tips about strawberries to share with customers can promote strawberries and develop a rapport with customers. Nutritional POS signage are also an effective educational tool.





## HEALTH INITIATIVES



**Turbana Corporation** 550 Biltmore Way, Suite 730, Coral Gables, FL 33134 Tel: 1-800-TURBANA

### Interview with Alan Dolezal, Vice President of Sales, Turbana Company

Turbana Corporation is the North American marketing arm of C.I. Uniban S.A., the world's largest banana producing cooperative. In 2005, Fyffes obtained a 50 percent ownership position in Turbana, leading to Turbana's current status as North American marketer of Fyffes Gold label super sweet pineapples. Headquartered in Dublin, Ireland, Fyffes is the largest produce importer into the European Union, with annual sales of over \$2.6 billion.

**Q:** As America fights the obesity epidemic and other health problems, consumers are inundated about the nutritional values. How can you distinguish your product from the pack?

A: Fyffes Gold Pineapples are healthful and taste great! They're extremely high in vitamin C and low in calories and contain virtually zero sodium or fat. Regarding obesity, and in particular childhood obesity, Turbana is very proud Disney Garden has named Fyffes Gold as its pineapple of choice in the new Disney/Imagination Farms campaign aimed at increasing the consumption of fresh fruits and vegetables among children.

On a lighter note, we also think Fyffes Gold Pineapples contribute to positive mental health. Pineapples have always had an exotic image conjuring up thoughts of tropical locales and warm, sandy beaches — the kind of images to put a smile on one's face, especially in winter.

**Q:** Tell us something consumers may not realize about how your product can improve their health and well-being?

A: People may not realize fresh pineapple's status as an anti-inflammatory agent and its ability to boost oral health. Pineapple contains bromelain, a protein-digesting enzyme that helps suppress and counteract inflammation. Pineapple is also extremely high in vitamin C, a high intake of which greatly reduces the risk of gum disease.

**Q:** Are there any notable health reasons to target specific demographics or age groups with your product?

A: Childhood obesity is a major concern in our society, and Turbana is very

happy to be partnered with Disney Garden and Imagination Farms for the purpose of implementing a program that will help our children to develop healthful eating habits that will continue through their teen years and into adulthood.

**Q:** Are there any myths or confusing nutrition information about your product that you'd like to clear up?

A: One misconception about fresh pineapple is that it can be difficult to prepare. Our Fyffes Gold Pineapple has preparation instructions on the back of the tag, demonstrating how easy it is to cut a pineapple! We also offer a hand-held Easy-Slicer corer. Additionally, many retailers core our Fyffes Gold Pineapple and offer both whole and pre-cut fruit in their produce departments.

Another misconception is that pineapples are seasonal; Fyffes Gold Pineapple tastes the same and contains the same dietary attributes 52 weeks a year. The shell color of the fruit may vary slightly from time to time, but the consumer taste experience and the nutritional benefits inherent to the fruit will not.

**Q:** Can you connect your product's nutritional properties to health issues consumers can understand? Can you come up with simple, catchy phrases that could market the health benefits of your product?

A: The More Matters campaign and the Produce For Better Health Foundation (PBH) are great sources for consumers to learn about the benefits of fresh pineapple relative to various health issues.

Our Fyffe Times Better slogan addresses five common health issues, since our pineapple is an anti-cancer agent, enhancer of the body's immune systems, natural anti-inflammatory agent, proven aid to achieving good oral health and inhibitor of strokes and heart attacks.

**Q:** How does your product deliver a powerful punch of nutrition?

A: A daily slice or two of our pineapple provides half the recommended daily intake of vitamin C, the benefits of which include strengthening the immune system,



reducing risk of heart attack and stroke and heightening oral health. The high manganese and vitamin A content help prevent free-radical damage to the body's cells. Free radicals are known to have a cancer-causing role.

**Q:** Since the FDA has strict guidelines on what health claims a company can make, what can be advertised or put on your product's labels?

A: Our pineapples are not packaged and the tag is the only place for some narrative, so they don't make ideal billboards. We work with our retail partners to formulate and execute health-oriented advertising and promotions through store circulars, seasonal promotions emphasizing health and fitness and in-store promos using customized POS materials that support health- and nutrition-oriented themes.

**Q:** What challenges do you face in getting the health message about your product to consumers and what solutions do you have in mind?

A: In the age of instant information, it's easy for consumers to feel awash in a sea of conflicting claims and health messages. The key is to provide information from credible, certified sources (PBH, AMA) and present this information clearly and concisely.

**Q:** What are the best strategies to relay nutritional/health information to consumers on the retail floor?

A: Pineapples can be highlighted as both a healthful cooking ingredient and a nutritious snack. The display and the message should achieve maximum visual

A unique vehicle for our message is the Disney Garden/Imagination Farms program. We can help affect a real paradigm shift in the way children, and the American family in general, perceive and consume fresh fruits, obviously including pineapple.

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by the end of the year.

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THANK YOU to everyone who supports the mission of Produce for Better Health Foundation. With your continued help and commitment, we look forward to working together in 2009 to increase the consumption of fruits and vegetables — because MORE really does MATTER.

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#### **BOSTON MARKET PROFILE**

# Boston Carries

Despite a slow economy, business is bustling at Boston's produce market.

By Jacqueline Ross Lieberman

t's a cool morning in autumn and everyone at the produce market outside of Boston is checking their Blackberries for the latest economic news - not that they really want to know. Stocks are down. Stocks are up. Now they're back down. All week long, it's one crisis after another, with the new bailout plan making only the slightest dent in the chaos. And the problem is no longer just in America — it's everywhere. The world seems to be sliding toward economic doom. Somewhere else, business people are wringing their hands. Here, they're all smiles.

The market that serves Boston and the outlying area is actually two markets side-by-side — the New England Produce Terminal in Chelsea, MA, and on the other side of the city line, the Boston Market Terminal in Everett, MA — with a few additional wholesalers immediately nearby. But folks here give you the impression that it's one big market and, often, one big family. Today, despite the constant talk of economic meltdown, it's brisk business as usual for the guys in produce. Mostly.

"Things are just steady-go," says Lou D'Alleva, president, Garden Fresh Salad Co., Inc., Chelsea, MA. "The economy doesn't call for many changes. You keep doing what you do best and you just go."

Susan Tavilla, sales/administration, P. Tavilla Co., Inc., Chelsea, MA, agrees. "We've had more complaints about the pricing, but business is pretty steady," she tells us.

Much of that has to do with the nature of the produce business. "We're not as cyclical as some other industries," says Ken Cavallaro, treasurer, John Cerasuolo Co., Chelsea, MA. "People are interested in top-quality, good produce. When you have that, it always seems to find its way out the door."

But not everyone is so assured. "I think the economy is affecting the business a little bit more thank people think," notes Steven Silk,







Dave Patnaude Coast-To-Coast Produce



Sean Murdock Coast-To-Coast Produce



Anthony Sharrino Eaton & Eustis



Joe Gelardi Community-Suffolk



David Piazza Community-Suffolk

president, Arthur G. Silk, Inc., Chelsea, MA. "People are definitely cutting back and changing their spending habits, including expensive produce. People aren't spending as much at supermarkets. People can buy frozen vegetables — they don't have to buy fresh. In general, produce prices haven't gone up that much, but there are other options.

Mario Cutone, president, M. Cutone Mushroom Co., Inc., Chelsea, MA, is similarly cautious. "People say, 'You still have to eat.' But, you know, that's the first place they cut back," he says.

Compared to the price of other staples, such as dairy, meat and bread, the cost of produce has risen only slightly during the past year, due mostly to the higher price of fuel and petroleum-based fertilizer as well as fluctuations in the market. "The price of produce really never goes up," according to Cutone. "Thirty years ago you could buy lettuce for \$2, \$3 a box. You can still buy it for that today."

But these merchants, who still have to keep prices down for their customers if they want to compete, feel any increase in cost. "There's no margin for error. Expenses are high and you've got to move a lot of merchandise," explains Anthony Sharrino, president, Eaton & Eustis Co., Chelsea, MA.

And what about the theory that the produce business is recession-proof? "It is, to a certain point. [But] things slow down," reports Paul Travers, sales, Mutual Produce

Corp., Chelsea, MA.

#### **Comfort Food Selling Best**

Depending on whom you ask, pricier items, such as strawberries, exotic fruit and some organics, are beginning to suffer. On the other hand, basic items are moving right along.

That's great news for businesses such as Community-Suffolk, Inc., Everett, MA, which carries staples such as carrots, cabbage, potatoes, onions, celery, lettuce, onions and lemons. "We pretty much stay true to our staple items unless we can get them at a really good value for our customers," says Steven Piazza, president.

"Potatoes are moving," adds Tom Piazza, Community-Suffolk co-owner and potato guy, who notes the potato harvest was big this year. "It fills your belly. It's not all that expensive. It's comfort food. I've noticed that it hasn't been all that brisk for other items, businesswise, but potatoes are holding their own."

Pricier items are starting to feel the pinch. "Items I call 'pizzazz' items — higher priced items you don't need to have — are suffering versus staple items," says Dave Patnaude, manager, Coast-to-Coast Produce, Boston, MA, a multifaceted supplier that grows, brokers, distributes and runs third-party logistics. "This year I saw a decline in melon consumption. But what's increased is watermelon versus cantaloupe because it's cheaper."

"I suspect the more exotic items will see a drop — things such as asparagus, Brussels

sprouts," agrees Butch Fabio, treasurer, J. Bonafede Co., Inc., Chelsea, MA, wholesalers specializing in tropicals. "Staples such as bananas and potatoes actually do better."

But Travers disagrees. "Berries right now are on the desirable side," he says. "The whole industry is hurting from the economy. It's not just one item. People are worried about just filling up the gas tank."

Some exotic items have a loyal following of immigrants who depend on foods from their home countries. But, notes Fabio, "If those people start losing their jobs, they may be affected."

Organic items with only a small difference in price from their conventional cousins remain in demand. At J. Bonafede, sales are organic bananas are "pretty steady," reports Gene Fabio, president.

Still, some consumers are willing to pay for organics no matter what the price difference. "There are a wide variety of people choosing organics," shares Jack Ford, president, New England Organics, Chelsea, MA. "A lot of it is families with children." Many of Ford's customers are health-food stores and individuals with severe illnesses who buy in bulk, looking to organic produce for health benefits. "The chain stores shy away because of pricing, but our customers understand."

Overall, despite the price difference, organic produce consumption remains a growing trend, according to Kevin DeMichaelis, sales and a principal owner, State Garden, Inc.,

#### FOOD SAFETY IN THE SPOTLIGHT

n light of recent food scares, "The big issue today is food safety," says Anthony Sharrino, president, Eaton & Eustis Co., Chelsea, MA. "I think that, at the terminal market, we have it well under control."

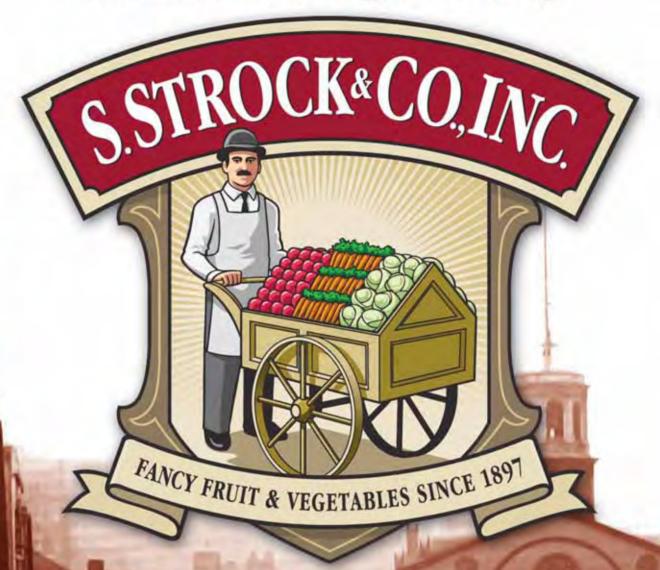
Some companies are taking food safety a step further to ensure the food they produce is safe to eat. For instance, Chelsea, MA-based Coosemans Boston, Inc., which is hazard analysis and critical control point (HACCP) certified by Scientific Certification Systems. "Certification gives us a better feeling that we're doing everything possible to ensure all the product we sell is safe and that, God forbid something does go wrong in the food chain, we have the tools at hand to be able to recall whatever it is immediately and protect our cus-

tomers from any potential damaging occurrences," says Kevin Maher, president.

Peter Condakes Company, Inc., is also third-party audited for food safety, by AIB and Primus Labs. "The fact that I'm certified has not turned out to be an advantage with customers walking the market," according to Peter John Condakes, president. However, "If you aren't third-party audited, there are customers you can't even attempt to sell to."

"When we're looking for new business we try to have a little bit extra to offer," says Ed Davol, food safety and security manager, Peter Condakes. In addition to safety, security is taken into account. "We make sure we're meeting all the requirements for the bioterrorism acts, too."

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**Reader Service** 









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Stephen Silk Arthur G. Silk, Inc.



Peter Renda Arthur G. Silk, Inc.



Skip Cavallaro John Cerasuolo Co., Inc.

Chelsea, MA, which includes the Olivia's Organics line.

#### **Fuel Takes its Toll**

Produce shipped from many states away is suffering somewhat. "With this economy, we're seeing a decline in the volume of orders as well as the number of trucks," according to Coast-to-Coast's Patnaude. "They're looking for more local freight now because fuel is so high. We're getting fewer opportunities to sell our services." [Editor's note: These interviews were done prior to November's steep price drop-off.]

The price of organic produce from the West Coast "is going up with the cost of freight from California. Everything is going up except people's pay," notes Ford.

Imports are suffering, as well. "Fuel costs have had a bit of an impact," reports Bona-

fede's Gene Fabio. Margins for these items are smaller than in the past. "The cost of mangos isn't that high, but the cost of transporting mangos has more than doubled in a couple of years," he explains. When he does raise prices, "Everyone wants to know why I'm charging so much more money. I tell them, 'It's not me."

Sean Murdoch, sales, Coast-to-Coast Produce, believes Boston customers will choose regional produce over produce from afar if fuel prices rise again. "I think you'll see growth in products coming out of Georgia or Florida, because freight is cheaper. But it depends on the price." He explains produce is often less expensive from areas such as California where the climate and soil are better suited to growing. "Nogales [AZ] will be a big factor this year," he predicts. "It's only 2,700

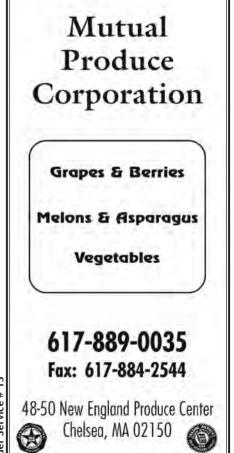
miles from Nogales to Boston."

Although the price of diesel has dropped in recent days, it still remains high compared to years past and many here fear prices will rise again. "We're at the plateau of oil production in the world and it's going to start going down," says Murdoch. "Our gas prices never really got that high compared to the rest of the world."

Others are more optimistic. "Gas is going down a little bit and I think it will come down a little more," according to Ford of New England Organics.

Until then, margins are tight all around. When the price of fuel is high, "You really don't pass the whole increase on to your customer," relates Jim Ruma, president, Ruma Fruit & Produce Co., Everett, MA. "You try to recover some of it."





#### **GIVING BACK**

livia's Organics, part of State Garden, Inc., Chelsea, MA, was created with the community in mind. "We are a third-generation company," says Kevin DeMichaelis, a principal owner and salesman for State Garden. "Our dad sat us down a few years ago and said, 'We've been in business 70 years now. I want to come up with a brand that gives back to the community that's given to us all these years.""

Olivia's Organics does that. Through the Olivia's Organics Charitable Foundation, the company uses a percentage from each sale of its organic salads, celery and seasonal items to help organizations such as the Make-a-Wish Foundation, Marine Corps Toys For Tots, Cam Neely Foundation for Cancer Care, The Joslin Diabetes Center and America's Second Harvest Kids Café.

"This is something that our family is very proud of. It's been very fun and very fulfilling," says DeMichaelis. His employees like it, too. "I know it makes them feel that they're a part of something, that they can give back and help people. And it makes me feel happy that our employees are feeling that way."

And wholesalers such as New England Organics that offer delivery service to local stores find themselves feeling even more pain at the pump.

Meanwhile, a drop in the price of gas could actually hurt some trucking companies that were counting on a fuel surcharge to make ends meet. "It's going to hurt people who are contracted. Some companies want their pricing months ahead," adds Murdoch.

To save money, some wholesalers are looking to get their produce by rail. As a result, "Railex is keeping the price on the trucking more competitive," notes Mutual's Travers.

Merchants here are forced to be as efficient as possible in other ways, as well. "With the gas going up, we're more conscious of keeping costs down," says Marco Imbergamo, sales,



Terry Bell and Chris Rhodes, Community-Suffolk, Inc.

Arthur G. Silk, Inc.

#### Retail's Up, **Foodservice Suffers**

There is no question retail stores are selling more produce in Boston while foodservice is taking a hit.

"A lot of the sales are down on the highend restaurants," notices Kevin Maher, president, Coosemans Boston, Inc, Chelsea, MA, which offers specialty produce to both foodservice and retail customers. "Usually we get a full dock in here on a Monday morning. These days you can pull in anytime you want. But we still open the door every day and people are still flowing in."



Reader Service # 15



Angelo Melito John Cerasuolo Co., Inc.



Stephen Dole P. Tavilla Co., Inc.



Al Beausang P. Tavilla Co, Inc.



Sheldon Borodkin Costa Fruit & Produce



Patrick Burke Garden Fresh Salad Co.



Lou D'Alleva Garden Fresh Salad Co.

Remembering the slump after Sept. 11, 2001, Maher says this is not the worst business he's seen. "It's just the cycle. We're looking forward to next year and building our sales." In the meantime, "We're going to have to offer some reasonably priced items to customers and make less margin. We have to take in more items that are more mainstream than we usually do. We have to keep those trucks full so the freight is manageable."

Some foodservice suppliers are riding out the economic downturn just fine. "Our foodservice is up a little bit," reports Steven Piazza of Community-Suffolk. "That's based on good business. The new immigrants with independent restaurants buy the raw product and do everything themselves."

At the same time, larger foodservice operations continue to use fresh-cut produce. "Foodservice is still pretty steady for us," says D'Alle-

va of Garden Fresh, which specializes in processed produce.

"It saves them on labor, from hiring an extra employee," explains Patrick Burke, sales, Garden Fresh. It also cuts back on guesswork and waste. "It's a consistent product with a consistent cut," he says.

The most efficient foodservice operators cut costs by paying attention to fluctuations in prices, substituting a similar item based on the current market. For instance, "When lemons were \$60 a box and limes were \$12, they switched to limes," says Jackie Piazza, citrus sales, Community-Suffolk.

#### **What Boston Wants**

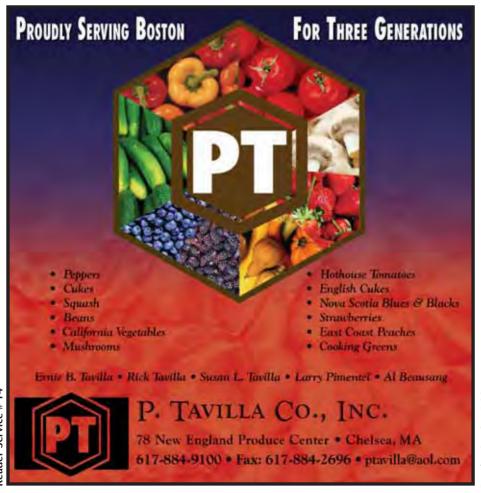
Boston is a smaller city than New York or Los Angeles, and as a result the merchants here have fewer chances to move less-thanperfect produce. "In New York. you've got a far more diverse population. In Boston, they're all fussy customers," says Sharrino of Eaton & Eustis Co.

For example, "Bigger size lemons do well in Boston. Smaller lemons are a tough sell here," says Jackie Piazza.

Burke of Garden Fresh, agrees. "In general, the buyers tend to be very selective about what they buy. They want only the best."

"We're the toughest market on quality. Product that will work in other markets won't work here," notes Peter John Condakes, president, Peter Condakes Co., Inc., based in Everett, MA. "If product that's not perfect comes here, you have to sell it for an extremely discounted price."

It was not always that way, according to Sharrino. Years ago, more produce managers in the area took the time and effort to sell lessthan-perfect items. Today, "They want to put it





Spader Service # 14

#### **BOSTON MARKET PROFILE**



**Butch Fabio and Gene Fabio** J. Bonafede Co., Inc



Ronny Dugas and Mike Patalano Community-Suffolk



Yanni Alphas and Brian Scolaro The Alphas Company



**Maurice Crafts and Doug Gordon Coosemans Boston** 

out there and not deal with it. They've got less patience, maybe. Product is at the mercy of the retail worker."

"Quality, service and price - those are your keys. I think quality comes first," says Ruma of Ruma Fruit.

But although quality is key here, price is the most important factor for many customers who walk the market. "If the box has a lower price, greater shrink doesn't even figure in," observes Condakes.

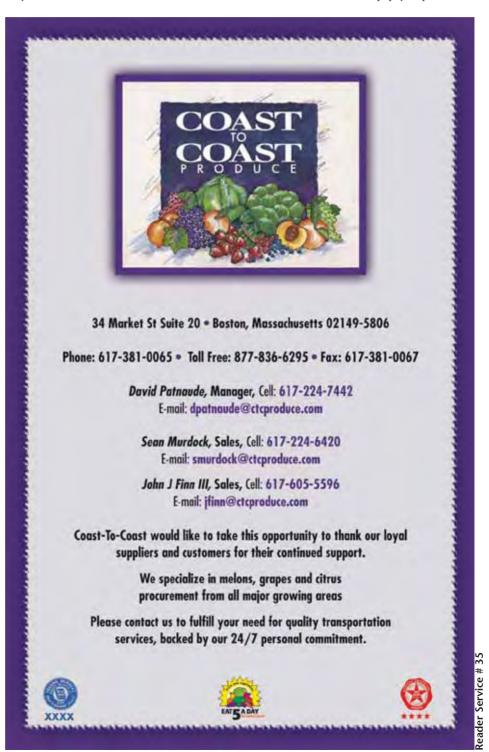
Brands are also important to many. "I keep a continuity of labels," notes Sharrino. "In the stores, produce is pretty generic, but to the buyers on the market, brands are important."

Specialties play an important role, especially at the independently owned neighborhood stores that cater to immigrant communities. "We have a diverse customer base because we have so many exotic items," says Bonafede's Gene Fabio. "We get a lot of small, local ethnic stores that come in and get it as they need it."

Immigrants from around the world have made Boston home, and Bonafede offers the produce they are familiar with. "We have a large Southeast Asian crowd, we have the Hispanics and Central Americans," he adds.

The Asian community often uses pomelos, according to Jackie Piazza of Community-Suffolk. "Two or three years ago, we were doing very few pomelos. Now pomelos are a factor."

By volume, the biggest specialty items at Peter Condakes Co. are "mangos, limes, greenskinned Florida avocados, papavas, plantains,



By buying Olivia's Organics salads, you help us invest in the lives of children through the Olivia's Organics Charitable Foundation.

www.oliviasorganics.org

Eat Healthy! Have Fun! Give Back! Spanish root vegetables and Southeast Asian vegetables and fruits," reveals Stephen Condakes, vice president. "And we have an Indian population. They use an Indian bitter melon called karela, long squash, Chinese okra, tindora — a mini cuke — snake gourd, green Thai chile peppers, Chinese eggplant and Indian eggplant."

For the ethnic specialty trade, "Everything is price sensitive. Because many of these products come from far away and they tend to be more delicate than regular produce and they're not grown on as grand a scale, the markets on them are highly volatile," he continues. "Even though I would love to have a steady price structure on these products, it's not always possible. They just won't have it in the store if they can't sell it for at least minimal profit. They'll say, 'We just don't have it this week.'"

Specialties are important to other segments, as well, including foodservice. Coosemans carries high-end specialty produce, such as "baby vegetables from all over the world, things that are out of season such as mixed melons coming out of Mexico," says Maher. "We just started with the first pomelos of the season from California. Baby Brussels sprouts from the Netherlands are just coming up.

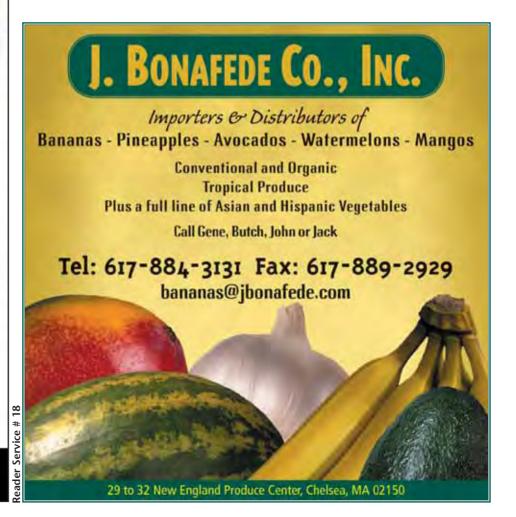
Those always do well for us. We've been bringing in some blood oranges and Meyer lemons from Australia. That gets people ready for when they come out of California at the end of November." In addition to retailers, "A lot of restaurants use blood oranges. They love the color of the juice."

And, adds Jackie Piazza of Community-Suffolk, "Meyer lemons are becoming much more prevalent. More people are finding out about them."

Of the vegetables, "We do baby beets, multicolored peeled baby carrots," adds Maher. "A lot of the oriental baby vegetables are in demand with retailers. We get peeled lotus root that comes in a Cryovac bag from China. Restaurants that have an Asian theme use them." Microvegetables grown on Long Island are a special item at Coosemans and chefs love them. "They like the unique flavors they bring and the color," says Maher.

In the spring, Ruma Fruit does big business with fiddlehead ferns, in demand with retail and foodservice customers during their extremely short season, according to Ruma. "We probably had a 20 percent increase in sales this spring."

Cutone of M. Cutone, sells wine grapes and



Apr Sprvice # 26

Mutual Produce Corp.

wine grape juice during the fall to a growing number of amateur winemakers, as what used to be a pastime for Italian and Portuguese immigrants in the area has turned into a hobby for a growing number of enthusiasts. "We sell to doctors, bankers, lawyers," says Cutone. "There are a lot of people getting into that now. It's exciting for people."

Burke of Garden Fresh reports sales of herbs have increased over the past few years. "Fancier restaurants, higher-end restaurants, even consumers with the advent of Food TV - they've been more creative with what they cook. Our most popular herbs are basil, rosemary and thyme."



Kara Cavallaro and Dominic Cavallaro III John Cerasuolo, Inc.

"All the spring mix salads are popular here," says DeMichaelis of State Garden. Although baby spinach is popular for salads, "There's still a big calling for Savoy spinach in the Northeast because it's a cooking spinach and this is a cold climate."

Many once seasonal, hard-to-find specialties are now available in Boston year-round. "There was a time when mango season ended. Now, because you source everything all over the world, there never is a break," notes Bonafede's Butch Fabio. "Because there's so much coming in off-season, the prices are lower and people can afford them." And so demand continues to grow.



**Junior Parton and Susan Tavilla** P. Tavilla Co., Inc.

In some segments, sales of processed produce continue to climb, as well. Garden Fresh has been in the business of processing produce since 1970. "It's a good 70 percent of what we do here," says D'Alleva.

Despite customers and consumers cutting back on costs by doing more themselves, the popularity of fresh-cuts has not waned. In some cases, processed produce can actually save users money in labor costs and waste, says Patricia Hurney, sales, Garden Fresh.

Items such as peeled cippoline onions are in demand for foodservice, according to Coosemans' Maher. "That onion is pretty difficult to peel. It's pretty labor-intensive, so they

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Reader Service # 19



Kevin Maher Coosemans Boston



Pat Lynch State Garden, Inc.



Kevin DeMichaelis State Garden, Inc.



John Ronafede I. Bonafede Co., Inc.



lack Ford New England Organics, Inc. Community-Suffolk, Inc.



**lackie Piazza** 

like them peeled."

At the retail level, processed produce is still desirable for its convenience. For example, "A lot of people buy more sliced mushrooms in an 8-ounce package now," says Cutone of M. Cutone Mushroom Co.

#### Bigger Players, Smaller Field

"The industry has changed. It's consolidated. There are fewer customers," notes Mutual's Travers, who believes the consolidation of chain supermarkets over the past 15 years has hurt the wholesale market.

"You see fewer independents," agrees Ruma of Ruma Fruit, which specializes in fillins for chain supermarkets. "You don't see too many single stores or small chains as in previous years."

Wholesalers that can change with the

times survive and thrive. "It just evolves," says Cavallaro of John Cerasuolo Co., a company that has been in business for about 100 years. "Your customer base may change."

"You keep adjusting. It's all you can do," agrees Travers.

While many report business from supermarket chains remains steady, some have noticed a decline in sales over the years. Some are coming to the market less often for fill-ins. "The chains have started getting better at estimating their needs," according to Bonafede's Gene Fabio.

But the chains would be smart to utilize the market, says Jackie Piazza of Community-Suffolk. "Retailers can come in and load 10 trucks in three hours and get great deals."

Independent stores that rely on the market for deals to give them an edge over the competition boast another advantage during the current credit crunch. "I don't think will be as affected a lot of the ethnic trade because they work on a cash basis - they don't have a credit problem," says Gene Fabio.

Meanwhile, the number of wholesale businesses here continues to shrink while a few companies grow. Often, houses that started with one or two items grew and now carry a full line of produce. John Cerasuolo is one of those companies. According Skip Cavallaro, president, the full-service wholesale company was started 83 years ago when it sold all locally grown produce. "As the years went by, everyone started selling the same stuff. Everyone's got everything now," he says.

To stand out, companies must offer topnotch service. "It's very competitive," he notes. "That's why you look to satisfy your customer



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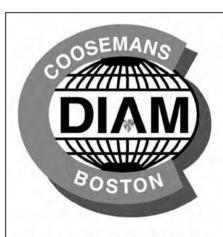
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#### **BOSTON MARKET PROFILE**







Peter Condakes Co., Inc.



Kenny Natorelli Baby Nat's



Peter John Condakes Peter Condakes Co., Inc.

needs as much as you can."

Mutual's Travers believes, "Our difference is we try to have good customer service and high quality."

"To really keep things going well, you need to offer service," agrees D'Alleva of Garden Fresh, which often works with foodservice to customize products. "They'll come up with their own blends and we'll do it their way."

Much of today's sales take place over the phone, with customers trusting wholesalers to get them the best produce at the best price sight-unseen. "Everybody's busy today. Nobody's got any time," explains Cavallaro.

Nevertheless, "There are still people walking this market. A lot of them still come down and buy every day," notes Maurice Crafts, sales, Coosemans.

"This business is based on personal rela-

tionships," says Bonafede's Gene Fabio. "You don't shop at a place you don't like."

Skip Cavallaro will often go the extra mile to keep customers happy. If buyers need an item he doesn't have, he says, "We tell them we've got it." And then he gets it.

Susan Tavilla of P. Tavilla Co. has customers who buy from her daily. "They say, 'You don't realize how much I appreciate that you know how much and what I need every day," she relates. Businesses such as hers rely on that kind of relationship.

"We try to have good relationships with suppliers, too. Without product, we're out of business," says Butch Fabio.

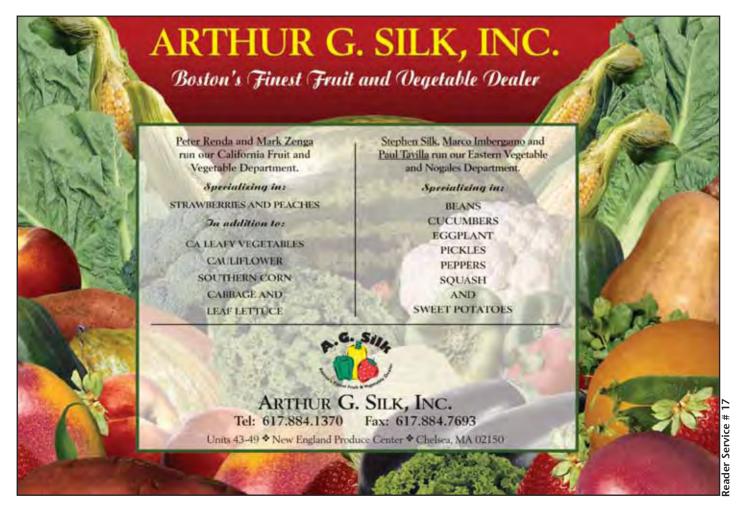
"You've got to get the right deals behind you," reports Angelo Melito, sales, John Cerasuolo. "There's a lot of competition. Only people with the right deals survive."

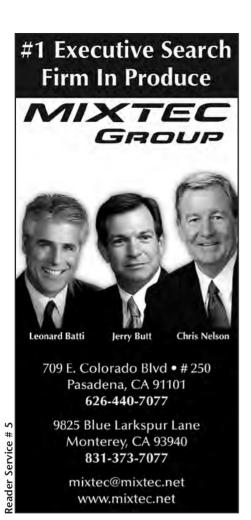


Mario Cutone and Butch Cutone M. Cutone Mushroom Co.

When it comes to shippers, relationships are vital, agrees Skip Cavallaro. "If you don't get the right product at the right price, you can't be competitive and you can't sell to anybody," he says.

"Our continued commitment to our shippers and our customers — the reciprocal arrangement has kept us on the forefront with potatoes on the market," says Tom Piazza of Community-Suffolk. "We sympathize with both of them. We're all in it together."







In Memoriam

Thomas J. Ciovacco April 29, 1927 - April 10, 2008

Tom began his produce carreer working with D'Arrigo Brothers Boston in their packing plant in the early 1950's.

He then went to work for Mutual Produce in 1957 buying and selling produce.

In 2001 he purchased Mutual Produce with the Travers Brothers and helped to make it the success it is today.

He will fondly be remembered for his love of the produce industry, his family, his friends and his Yorkshire Terriers.

# **How A Handful of Women Are Changing The Market**

n a time when women are serious contenders for the President-elect's cabinet of the United States, it may come as a surprise how much men still dominate the Boston produce market.

"You know, there are very few of us women down here. It really hasn't changed much," says Maureen Hurney, sales, Garden Fresh Salad Co., Inc., Chelsea, MA. She and sister Patricia Hurney, also in sales, came to the company after years of retail experience, something that is also still very much a man's world.

Twenty-seven years ago, when Patricia Hurney first became a produce manager for a supermarket that was part of a chain, "We had 47 stores and no women produce managers," she remembers. But she was not deterred. "It was the secondhighest paying job in the store and I wanted the paycheck.

"I enjoyed produce. It was interesting and I liked the work," she notes. Garden Fresh took notice of her business savvy when she came to buy for the store and soon hired her. Not everyone at the market was ready for a woman in sales. "Here they were, in shock. They didn't know what to do with me," she recalls. A woman's presence changed the workplace dynamic. She remembers how some of the men were afraid to swear in front of her.

That was 25 years ago. Six years ago, even after those at the market had adjusted to Patricia Hurney, Maureen Hurney came aboard after a career in the deli business and received a similar response. "They thought I wouldn't last a week," she laughs. "It's a men's club down here. But I think the whole market in general is changing. It's more service-oriented," she says — i.e., less cursing. "It's becoming more tolerant. If they see you can do the job, nobody hassles you."

The women at Boston's produce market have had to prove themselves. Susan Tavilla, sales/administration, P. Tavilla Co., Inc., Chelsea, MA, did just that. When she started working at her family's company seven years ago, "I was loading two half-loads a week," she says. "My customer base got to where I added a truck, and added a truck..." She also added items the company had not previ-



Maureen Hurney Garden Fresh Salad Co.



Patricia Hurney Garden Fresh Salad Co.

ously sold, such as artichokes and anise.

"A couple of people gave me the shot," she adds. "Some of the buyers, it took a long time, but the ones that did stuck with me."

Before coming to the market, Tavilla was in hotel management and, like Patricia Hurney and Maureen Hurney in their previous careers, she was one woman in a sea of male colleagues. The experience taught her, "In a man's world, I have to work harder to get respect," explains Tavilla. "I try harder because I'm a woman. I'm here at 1:00 AM every night. Most lettuce salesmen are in at 3:00, 3:30. I try harder because I feel I have to do the best so I can be thought of in that light."

Carol Dixey, who drove trucks for Garden Fresh for four years and for eight years on the market before that, certainly knows what it is like to do a "man's" job. It can be hard, at times, "For the simple fact that a lot of people are all old-school still," she relates. Like other women on the market, she has had to take extra steps to prove herself in the industry once she was told to take a driving test the men were allowed to skip. Still, she tells us, it's good work that allows her to support herself and her children, and she enjoys the challenge.

Tavilla, whose family has been in the business since the 1920s, feels selling produce was a natural fit for her, but not everyone saw it that way. "My grandfather said this was not a business for girls," she reveals. When she was 17, she earned money for school as a bookkeeper for the company under her uncle, but as soon as she graduated she was expected to go someplace else. "It wasn't like I had a job here," she says.

Years later, she came to help her brother for what she thought would be six months. "The first day here, I knew I wouldn't leave. I remembered so much

#### **BOSTON MARKET PROFILE**



Susan Tavilla P. Tavilla Co., Inc

Carol Dixev Garden Fresh Salad Co.

from 23 years before. It's in your blood. It's from listening to my dad on the phone. It's from being around it all your life. You have to love it. I love it. I love all the different people I get to see every day. I love the challenge. There's a lot of variables each day. It's always different."

For Tavilla, the rewards outweigh the difficulties. "It's kind of cool how on Friday you're out of stuff because you know what you're doing," she says. "Today, I sold four pallets of artichokes on a dead market. It's a great feeling at the end of the day when you've sold a lot of stuff and made more money for the company and helped your customers."

Patricia Hurney agrees the challenges and rewards of the produce business are worth the hassle. "I loved the market from the day I walked in here — the excitement. It changes every day. I'm always learning something new. When you're downstairs selling, it's a live product. You sell it or you eat it."

Today, the men of Boston's market are beginning to take women in produce seriously. "A lot of eyes have been opened here," she explains. Women even have a few advantages. "My customers are still basically all men. Female chefs, maybe. But more of my suppliers are female." And some of those women are happy to hear another female voice on the line. And while some still bristle at a woman in sales, "A lot of the guys do like to talk to a female."

"Being a woman in this business, the challenge that it brings gives me even more joy when I do well because there aren't many women doing this," according to Tavilla.

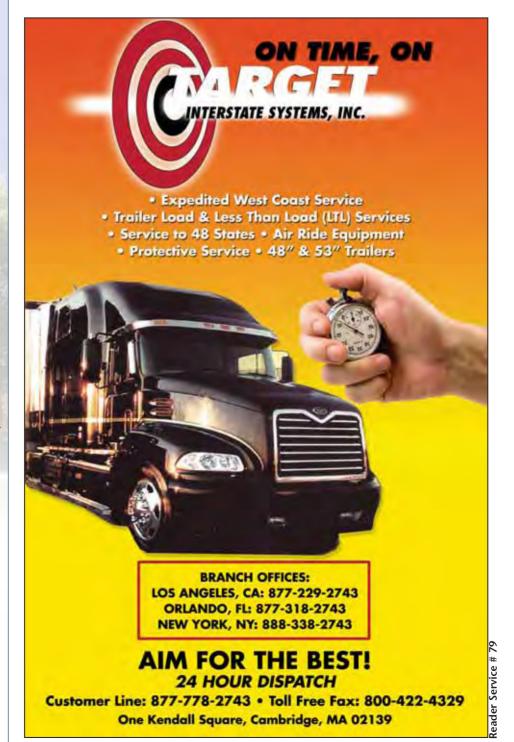
Patricia Hurney offers this advice to women who want to be in produce: "Do it. It's hard in the hours. It's a tough job in that you have to be willing to work. But if you enjoy it, then why not?"

In some cases, wholesalers will work with the same shipper throughout their career. Hurney of Garden Fresh has worked with some of the same shippers for the entire 25 years she has been with the company.

"This business now is about people," says Sharrino of Eaton & Eustis. "It's relationships. That's why you always see the same labels in my place year after year."

What may be unique to wholesalers on this market is not only the relationship with shippers and customers but also the friendship they maintain with each other. Perhaps it is because Boston's wholesale market is smaller than that in some cities, but folks here seem to feel more like family. "I think it's friendlier than other markets. Everyone looks out for each other. Everyone knows each other," says Imbergamo of Arthur G. Silk. "There's still competition, but it's friendly competition."

At this wholesale market, "It's nothing but hard work, but it's a good place to be," concludes Mutual's Travers.





# Atlantic Food Mart

Neighborhood supermarket offers quality and service from employees who care.

#### By Jacqueline Ross Lieberman

mployees at Atlantic Food Mart, a family-owned supermarket in Reading, MA, tend to stick around — 10, 20, even 30 years. Produce manager Del Marion, an employee for nearly 20 years, says, "It's a single store — we work very hard." Explaining the camaraderie, he adds, "We go to all of each other's weddings."

Not only do the store's 200 employees treat each other like family

but they also care about their consumers. "I've known a lot of customers for years," reports Marion. "Some people are here every Saturday morning at 7:02."

Employee interaction with shoppers is one aspect that makes Atlantic Food Mart stand out. "I love to talk to people," says Marion. "I cut open produce, such as a cactus pear, to show them what's inside."

Originally part of a small chain known as Atlantic Butchers of New

#### **BOSTON RETAIL PROFILE**











England, Atlantic Food Mart has grown considerably since George Rubin purchased the then-1,500-square-foot store in 1922. The store has subsequently undergone seven remodeling and expansion projects, the latest in 1998.

Atlantic is different from the chain stores that continue to advance upon its territory. Despite two new supermarkets opening nearby, the independent market is holding its own. Some shoppers appreciate that the store is on the smaller side approximately 88,000 square feet — with wide aisles. "You can come in and get all your shop-

ping done in 25 minutes," explains Marion.

Its relatively small overall size does not mean Atlantic dedicates any less space to produce, however. "It's much smaller than your average store, but the produce department is as big as your average store," he adds.

Consumers line up for Atlantic's salad bar each day at lunchtime, and many purchase containers of fresh-cut fruit that are delivered

> to the store daily. Because of the store's small size — both up front and in back — employees must constantly replenish displays with fresh fruit and vegetables. "Stuff comes in and goes out as fast as we can [allow it]," notes Marion.

> Consumers are spending less, and "Food is no exception," notes Marion. That is not to say people are buying less food at Atlantic, but they are trying to spend less. Sales of some processed items are

down, while sales of whole fruits and vegetables are up. "As of late, [whole produce] is considered more of a value-added item. People are looking to do it on their own. I even noticed that with bagged salads, which have always been popular, people are cutting back. Lettuce is selling better." Flower bulbs, another luxury item, are not selling as well as they have in other years.

> Atlantic is doing what it can to lighten the economic burden for consumers. "I find that with the tightening, we risk more, lower the margins to keep people happy," adds Marion.

> Despite the decline in sales of processed items, convenience is still important to Atlantic's customers. "People won't touch a grape with seeds or a watermelon with seeds," he notes. Packaged items — often packed in-store —

remain more popular than bulk. For instance, with asparagus, "I can have one display of loose and one display of packaged, and the packaged does better. When I put something out loose, I have one lady [who asks], 'Will you wrap this for me?'" he reports.

Much of the demand for packaged produce is due to trust. "They know the stuff is going to be good inside," explains Marion.

The department's top-quality candies, nuts and dried fruit - neatly displayed and stacked high in a row of tamper-resistant clamshell containers — continue to sell well. "It does fantastic," explains Marion. "Even with the recession and people holding back, this does not stop. It's a little time-consuming for us to pack it up and price it up, but people love it." Candy-coated sunflower seeds, chocolate-covered almonds, Jordan almonds, raw nuts, dried pineapple and dates move at an astonishing rate. "One of my biggest sellers is raw almonds," reveals Marion.

Premium juices also continue to sell well despite the economy. "That's what some people want, and that's what they're going to get," he adds.

Local produce — often called "native" in the Boston area — is popular here when in season. In addition, organic items continue to grow in popularity. As more organic items become available, "We try all kinds of things," according to Marion. "Baby peeled organic carrots sell. Organic cherry tomatoes and regular organic tomatoes sell well, too, along with organic celery."

Some other organic items, such as broccoli and the leaf lettuces, have not fared as well, perhaps because of the large price differences between organic and conventional, Marion reasons. "The carrots aren't that far off, but some things are way more expensive."

He says in addition to a bustling produce department, the store has "an awesome seafood department" specializing in fresh not frozen. The deli and bakery are popular, too. A full liquor license allows the store to carry beer, wine and liquor.

> ATLANTIC FOOD MART 30 Haven St. Reading, MA 01867

**Business hours** Monday - Saturday 7:00 AM to 9:00 PM Sunday 8:00 AM to 8:00 PM

# Summer Winter

Fresh, regional fare is the key — no matter what the time of year.

#### By Jacqueline Ross Lieberman

t Summer Winter, the décor is both rustic and elegant, traditional and contemporary. Stainless steel is juxtaposed with the warm wood of the open kitchen and rough stone is used alongside a smoked-glass countertop at the oyster bar. Leather seats in the lounge face a marble-topped bar where patrons stop to indulge in an innovative cocktail before heading to the spacious glass-ceilinged main dining room that overlooks a greenhouse that will look down into a garden next spring.

When chef/owners Clark Frasier and Mark Gaier opened this, their third restaurant, a year ago, "They specifically wanted to use traditional New England materials in a contemporary design," explains Jim Gallagher, chef de cuisine. It seems fitting for a restaurant that uses the most local of local produce — grown in its own patio garden — to create innovative cuisine often based on traditional favorites.

The greenhouse on the patio and the container plants surrounding it are functional and beautiful. Master gardener Ryan Fahey, 23, cultivates the crops year-round using chemical-free techniques for the freshest ingredients. During spring and summer, the area practically bursts with fruits, vegetables, greens, edible flowers and herbs. The greenhouse produces fewer fruits, vegetables and flowers when the weather grows cold, but quite a bit of fresh produce still comes from here, she adds.

Inside the greenhouse, lemons and limes used in the bar grow on small, potted trees. The leaves and zest will be utilized, too. Herbs, such as a variety of mints, often find their way to the drink menu. Microgreens such as bok choy, arugula, beet, carrot and kohlrabi, are also harvested. "Nothing grows to full size here because we have so much demand," explains Fahey. Even edible flowers, which are often frozen inside ice cubes to add color to

cocktails, come from the greenhouse.

In summer, when the restaurant grows up to 40 percent of the produce it serves, the patio is home to peas, husked cherry tomatoes, beans, pac choy — an Asian green that Fahey likes to pick young to mix with mesclun — radishes, kale and other delights. "I'm growing some cold-tolerant crops that go straight through the winter — miners lettuce [sometimes called winter purslane], mâche, garlic," she adds.

Alas, potatoes are a little trickier. "Container planting is much more challenging," she explains. "A lot of root vegetables just don't do as well. I do things that have quick turnover."

Just as the open kitchen invites guests to chat with the chefs, some patrons occasionally venture onto the patio to see what goes on there. "I love it when people come out," says Fahey. "They don't know what anything is and I say, 'This is a fresh pea. Try it!' During breakfast, kids will come out here while their parents eat and go, 'What's this?' and help me harvest. The reaching-out aspect is something I really like here."

Gallagher would like to see Summer Winter's homegrown produce play a larger part in future menus. "I want to start growing more and more of our own stuff," he states.

Meanwhile, he tries to get food grown in New England as often as possible. While local is best, "Regional is a better word for me," he says, explaining it's not always possible to get food from within 50 miles of the restaurant.

Gallagher is keenly interested in how his ingredients are grown because the majority of the produce used in the restaurant is purchased. The growers he uses often grow without chemicals but are not certified organic, and that's fine with him. With organic, "It's always a thought, but just because it's organic

doesn't make it taste better."

Evolving with the seasons and the latest trends, Summer Winter's menu changes an average of eight times a year. Gallagher favors special seasonal dinners, such as one meal that revolved around heirloom apples and another that utilized pumpkins in a variety of ways. "Autumn is my favorite time to cook," he admits. "You've got all the squashes coming out. I love squashes for everything from soup to purées."

One night this autumn, the menu included an appetizer of smoked trout with lemonhazelnut dressing over greens. Small bites, which Gallagher refers to as "American tapas," included Greek feta cheese with extra-virgin olive oil and fresh herbs. Staff and guests favored an Asian-inspired baba ganoush called Strange-Flavored Eggplant. Entrées included confit duck leg and roasted duck breast with cherry sauce as well as a Kobe burger with basil aïoli.

Big harvests from the garden offer a unique challenge when planning the day's specials, according to Gallagher. "Sometimes we put together a combination of flavors where I say, 'Wow, that's pretty good. I wish I'd thought of that before.'"

SUMMER WINTER Located inside the Burlington Marriott 1 Mall Road Burlington, MA 01803 Ph: 781.221.6643

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Monday - Friday
11:30 AM to 2:30 PM
5:30 PM to 10:00 PM
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12:00 PM to 2:30 PM
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# **How To Merchandise** Florida Citrus With Ease

Layer on profits by stocking long-time favorites and new varieties from the Sunshine State.

BY CAROL BAREUTHER, RD

urricanes, diseases and loss of grove acreage to commercial development have presented and continue to present - challenges to Florida's signature citrus crop. Yet to many growers, the future of the industry looks sunny thanks to extensive new varietal breeding.

David Mixon, senior vice president and chief marketing officer for Seald-Sweet International, Vero Beach, FL, says, "Multiple varieties that offer unique niche marketing opportunities will be a reality in the future. That's where the excitement is."

The 2007-08 crop finished at 169.7 million boxes of oranges, 26.6 million boxes of grapefruit and 5.5 million boxes of tangerines, according to the U.S. Department of Agriculture (USDA) National Agricultural Statistics Service's (NASS) final seasonal Florida citrus report issued July 11.

The 2008-09 Florida orange crop is estimated at 166 million boxes, down 2 percent from the previous season's final utilization. but it is 29 percent higher than the 2006-07 crop, according to the NASS Crop Production report issued Oct. 10. Florida's 2008-09 tangerine crop is forecast at 4.9 million boxes. down 11 percent from the 2007-08 season. while the grapefruit crop is estimated at 23 million boxes, down 14 percent from 2007-08 season. Industry insiders, however, predict a further reduction in the 2008-09 orange crop - as low as 150 million boxes - with the state's total citrus acreage down 11 percent from the latest Census taken in 2006.

"The industry is facing many challenges right now, most prominently a disease called citrus greening, which has the potential to devastate our crop," explains Michael Sparks, executive vice president and CEO, Florida Citrus Mutual, Lakeland, FL. "We

will continue to fight it through research and best management practices as we head into the new season."

Looking ahead to 2008-09, the good news is that tropical storm Fay in August did not uproot trees or cause a significant amount of fruit to drop to the ground, he adds. In fact, rains were welcome and bode well for the upcoming crop.

Darrell Genthner, director of marketing and business development, Noble Worldwide, headquartered in Winter Haven, FL, says, "We anticipate an excellent season, starting about two weeks earlier than in the previous three or four years with fruit of good quality, meaning good size and high brix or sugar."

#### WHAT'S HOT

Retailers like to stock tried-and-true Florida citrus while also searching for something new. "Our stores carry most - if not all varieties of citrus grown in Florida," says Maria Brous, director of media and community relations, Publix Super Markets, Inc., a 950-plus-store chain based in Lakeland, FL. "This includes navels, grapefruit, tangerines, Valencia oranges, tangelos and more."

"We look for new and exciting items to offer our consumers that will give them a satisfying eating experience," states Jay Schneider, category manager for produce, eastern division of the 134-store Malvern, PA-based Acme Markets, owned by Eden Prairie, MNbased Supervalu Inc. "We save room for new varieties and we evolve and find the space as new products are developed."

Publix merchandises new citrus varieties to attract consumers, notes Brous. "Informational material is shared with the associates to better educate them about these new products," she adds. "Consumers are also



Florida navels run from mid-October through January.

encouraged to sample."

Peter Chaires, executive director of the New Varieties Development & Management Corp. (NVDMC), Lakeland, FL, and director of business development for Florida Citrus Packers, Lakeland, FL, sites a consumer taste panel conducted in fall 2007 in cooperation with the Florida Department of Citrus (FDOC), Lakeland, FL. "When we put early selections in front of consumers, we found they liked the fruit to be an easy-peel, easyto-eat and not too juicy, flavorful, but not necessarily seedless," he states. "We had thought completely seedless was the goal. However, consumers clearly accepted low seeds, meaning 7 to 8 per fruit, if the internal quality of the fruit was exceptional."

Florida is home to two citrus-breeding programs. One is the USDA-Agricultural

### **Merchandising Tips And Marketing Initiatives**

ublix Super Markets, Inc., Lakeland, FL, boasts a long tradition of aggressively supporting Florida citrus growers and has always made them a high priority. "We highlight Florida citrus during the peak season," states Maria Brous, director of media and community relations. "This callout is in our ad circular and can't be missed due to the high graphics and variety presentation. Our displays are built to represent variety, seasonality and contrasting colors."

When determining what mix of product to stock, "Equate a value proposition for your target consumer," recommends Darrell Genthner, director of marketing and business development, Noble Worldwide, Winter Haven, FL. "Is it bargain, traditional, qualityconscious or gourmet-trendy? Category development and growth comes from introducing and properly merchandising product that appeals to gourmet-trendy consumers."

Dollar sales for the citrus category have been on the rise during the past three years while volume has slightly declined from

year to year, says Paul Koukos, general manager of fresh citrus operations, Duda Farm Fresh Foods, Inc., Oviedo, FL. "Allocating the proper amount of footage for your citrus display is important for maintaining a fresh-looking citrus area. Determine how much fruit each store can sell within a 2- to 3-day window and plan the space allocation accordingly. If you have more fruit on display than can be sold in a few days, it is only a matter of time before shrink will begin to rise."

This year, the Florida Department of Citrus (FDOC), Lakeland, FL, will have more specific marketing plans. "Grapefruit will be the focus of an integrated national advertising and public relations campaign targeted toward younger consumers," explains Leigh Killeen, FDOC director of domestic marketing.

Valerie Waters, celebrity trainer, entrepreneur, and author of Red Carpet Ready, will be the face and voice of the FDOC's Go Florida Grapefruit program this year. "The program

will inform consumers how to use grapefruit as a key ingredient to become ruby-red carpet ready every day," reports Karen Mathias, FDOC public relations director.

All Florida citrus will be featured in a series of customized 15-second messages that will run every eight to 10 minutes for 14 hours a day on 42-inch plasma screens as part of the SignStorey Digital Media network. These messages, which will play in January. February and March in produce, deli and meat departments in various retail outlets in the Northeast, New England and Midwest, including as Acme Markets, Malvern, PA; Pathmark, Montvale, NJ; ShopRite Supermarkets, Elizabeth, NJ; Price Chopper, Rotterdam, NY; Shaw's Supermarkets, West Bridgewater, MA; Big Y Foods, Inc., Springfield, MA; and Jewel-Osco, Melrose Park, IL.

"We saw a 4.5 percent increase in sales for Florida grapefruit, oranges and specialty fruit this past year as a result of the Sign-Storey promotion," states Pete Palmer, FDOC retail communications director.







Sweden

Research Service (ARS) laboratory in Ft. Pierce, FL, and the second is University of Florida's (UF) Institute of Food and Agricultural Sciences (IFAS) Citrus Research and Education Center in Lake Alfred, FL. This year, out of some 16,000 to 17,000 unique crosses developed annually, USDA produced three varieties - 1 orange, 1 grapefruit and 1 tangerine - and UF produced 11 varieties - 4 oranges and 7 tangerines that will be in the state's nurseries this fall with commercial quantities to follow in five or so years. This breeding pipeline will continue to produce new varieties annually for several more years.

#### **ORANGE VARIETIES**

Oranges represent nearly 45 percent of the citrus category share, reports Paul Koukos, general manager of fresh citrus operations for Duda Farm Fresh Foods, Inc., Oviedo, FL.

"Florida navels run from mid-October through January," notes Al Finch, director of marketing, Diversified Citrus Marketing, Inc., Lake Hamilton, FL.

Cara Cara or red Navels "are something we spotlight as a different variety option and taste for our consumers," adds Acme's Schneider. Red Navels from Florida are in largest supply from late-November to the beginning of January, in the window between summer imports and California's peak production from January through March.

Florida's Valencia crop begins in February and runs through June. Some packaging houses have begun to store Valencias with availability in 2009 extended into mid-July 2009.

The Seedless Pineapple Orange is the new USDA-developed orange variety, notes the NVDMC Chaires. "It's a mutation that is a vast improvement over the current Pineapple Orange. It's a mid-season variety and runs from December to February."

The four new orange varieties out of UF/IFAS include an improved Hamlin with better interior color and nearly no seeds, according to Chaires. "There's also an improved mid-season orange with better color and a low seed count, a new Valencia that comes to market in January that will be a boon to processors and a seedless Valencia available from April or May to June for the fresh market."

#### GRAPEFRUIT REBOUNDS

One of the big draws for consumers at Acme is Florida's pink grapefruit, according to Schneider.

Kathy Hearl, marketing promotions manager for DNE World Fruit Sales, Fort Pierce, FL, says, "Florida grapefruit has rebounded since the hurricanes of 2004 and is regaining shelf space. The demand is strongest from January to March during its peak flavor time."

Marketing the nutrition profile of grapefruit and providing fresh quality fruit in the stores help grow the grapefruit category, advises Duda's Koukos.

Demand for white-fleshed grapefruit is all but non-existent in the domestic market, reports Rob Rath, sales manager, Heller Bros. Packing Corp., Winter Garden, FL, "except for a small niche market in the Northeast."

Seald-Sweet's Mixon adds. "White-fleshed grapefruit is misunderstood. It has a brix-toacid ratio that gives it a unique flavor, but American consumers buy with their eyes and they think dark red is ripe."

Domestic production of white grapefruit is less than 5 percent, says Paul Genke, director of sales and marketing, Packers of Indian River Ltd., Ft. Pierce, FL. "Even offshore markets, such as Japan, are moving to the red. I'd say they were 60/40 now - red to white. A few years back, information about the lycopene content in red grapefruit was broadcast and that started the trend."

"We've seen more call in the last three years for pummelos [or Chinese grapefruit]," states Noble's Genthner. "They'll brix 101/2 by



Reader Service # 4

October, while grapefruit is just 9 in November. Some retailers, especially those that target gourmet-trendy consumers, are putting out pummelos before grapefruit."

Enticing consumers to make this tradeup requires education, points out Genthner. "Our PLU sticker on our pummelos is 31/2 inches in diameter. That allows us to include information such as what the fruit looks like on the inside, health attributes as well as how to select, prepare and store it. These are all purchase triggers."

The Seedless Surprise is new grapefruit

variety from the USDA's breeding program. "It's a cross between a tangelo and a grapefruit or three-fourths grapefruit and onefourth tangerine," states NVDMC's Chaires. "It's bitterless and seedless with a white-gold flesh. It won't be in nurseries until 2009."

#### SPECIALTY CITRUS

During the past 10 years, "The tangerine subcategory has shown growth potential with a rise in consumption," reports Duda's Koukos. "Specialty citrus or easy-peelers seem to be the continuing bright spot for

fresh citrus."

The Clementine's popularity continues to grow with nearly year-round availability as a result of imports, says DNE's Hearl, "However, consumers still love the various tangerine varieties that Florida has to offer as well. Fallglo tangerines start in late September, followed by Robinson tangerines a few weeks later. Sunburst tangerines are available by late October."

Dancy tangerines follow in December and January, Orlando tangelos in January, Minneola tangelos in January and February, and Honey tangerines (Mureotts) from January to April.

"Bringing in these varieties as they become available adds excitement throughout the season," says Seald-Sweet's Mixon. "We offer retailers an ad planner so they can know what is available when, manage their inventory and plan promotions in advance."

The new tangerine variety from the USDA's breeding program is the Early Pride tangerine, according to NVDMC's Chaires. "It's virtually seedless, meaning from 0 to 4 seeds per fruit, an easy peel and harvested in the October to December window."

The UF/IFAS program has produced exceptional-quality easy-peelers with seeds that will be available in January and February. These include a new tangelo hybrid that will be available in December and January; a traditional tangerine that is approximately double the size of the venerable Dancy, smooth-skinned, brilliant orange in color and a somewhat lower seed version of the current Dancy tangerine; an early seedless tangerine available in October with good color; a seedless tangerine available between November and December; and two interesting mandarin-orange hybrids with easy-peel attributes, good color, excellent flavor and a January-February availability.

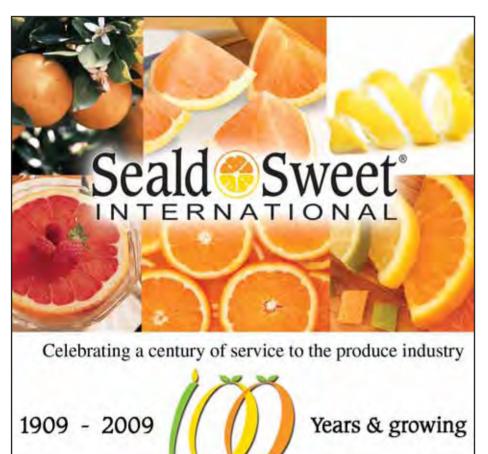
#### COMPETITION AND COOPERATION

"Increased competition from imported and California-grown specialty citrus has caused Florida growers to begin examining other specialty citrus varieties that are compatible with their own growing conditions," notes Duda's Koukos.

In recent years, a cooperative effort between Florida and other citrus-growing states, such as Texas, Arizona and California, has taken shape in exchange of plant material, reports NVDMC's Chaires. "The goal is to expand the season and market potential for different varieties."

Diversified's Finch adds, "Florida citrus is being marketed more during the first half of the season rather than the back half, especially for oranges and specialties." pb

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Reader Service #

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# **Health-Conscious Consumers Driving Almond Sales**

Give this nutritious nut a boost by highlighting health attributes and usage ideas.

BY K.O. MORGAN

s health-minded consumers demand more variety in their diets, tree nuts are becoming more popular. This trend rings particularly true for almonds because they're easy to eat and pack a powerful nutritional punch. "Almond consumption in the United States doubled from 1999 to 2007," according to Harbinder Maan, manager of foodservice and industrial marketing, Almond Board of California (ABC), Modesto, CA. "Each year, the board conducts the annual North America Attitudes. Awareness And Usage Survey [in conjunction with] Sterling Rice Group, [Boulder, CO], and this year's research indicates consumers believe almonds are nutritious and they perceive any product with almonds to be more healthful than one without."

Marvin Lyons, produce director, Bigg's, a Cincinnati, OH-based chain with 13 stores and a subsidiary of Eden Prairie, MN-based Supervalu, Inc., agrees. "We've always carried sliced and whole almonds, but now, we sell more than we used to because of the many healthful benefits of almonds that [were released] about three years ago."

"Almonds are the most popular nut with consumers because they taste better, are more nutritious [than other nuts], help maintain weight and contain no cholesterol," adds Maan. "Consumers say they specifically choose almonds in grocery stores, in restaurants and as a healthful snack for these reasons."

According to Brandon Steele, vice president of marketing, Fresh Gourmet Co., a Los Angeles, CA-based manufacturer of croutons, "Raw, unsalted almonds are very popular. Other popular choices among consumers are toasted and honey toasted - both in whole and sliced forms."



Almond-containing, packaged food products in North America grew 30 percent from 2006 to 2007.

"We offer no-salt and salted/roasted." adds Jackie Mulholland, produce manager, at the Farm Fresh Food & Pharmacy store in Hampton, VA, one of 45 stores owned by the Virginia Beach, VA-based chain. "Consumers prefer no-salt because it's a healthful snack. They also like the re-sealable bags that make snacking on almonds easier, plus they keep the nuts fresher. It's a grab-and-go kind of thing that's healthful at the same time."

#### VARIETY AND VERSATILITY

Almonds can be found in a wide range of products and have a wide range of uses. They're popular because they're healthful and offer a subtle, buttery flavor. "Almonds are a very versatile nut," explains ABC's Maan. "They have a general appeal because they're not overpowering. For this reason, they score well on taste, texture and satisfaction on the surveys we've conducted."

Jared Smith, sales and marketing, Fisher

Nut Co., Modesto, CA, notes an increase of almonds used in granola bars, cereals and trail mixes as well as a wide variety of flavored almonds such as chocolate-coated. roasted and lightly salted. "A popular one is Cajun spices," he adds.

"The exciting news for almonds is that they are an exceptionally versatile, valueadding ingredient," states Maan, "Almonds are available in more forms than any other nut and they complement an array of food flavors and applications. Almonds provide subtle flavor, crunch and aesthetic appeal without overpowering, which is why we see almonds in sweet and savory applications from a romesco sauce to a chocolate-covered almond."

Farm Fresh's Mulholland says his consumers often use sliced almonds, such as ranch, honey-roasted, garlic parmesan and original flavors, to top salads.

"We're rolling out six new products -

### **Almonds Pack A Powerful Punch**

etailers can boost almond sales by pushing the numerous attributes driving the category. According to a study conducted by the Almond Board of California (ABC), Modesto, CA, new almond-containing packaged food products in North America grew by 30 percent from 2006 to 2007.

Harbinder Maan, manager of foodservice and industrial marketing, says almonds score well with consumers on taste, texture and satisfaction, according to the study. Top reasons why consumers purchase almonds include subtle taste, nutritional value, perceived ability to help in weight maintenance and low cholesterol content.

The fact that re-sealable bagged almonds are a convenient and healthful on-the-go snack as well as the wide variety of almond products available are also driving the growth, according to the study.

two of which are almonds," states Fresh Gourmet's Steele. "Our brand is only sold in the produce department. Our almond toppings include natural, sliced-toasted and honey-roasted almonds."

Bigg's Lyons reports, "Toppers have become a favorite among consumers. We do sell a lot of toppings for salads and sales have picked up tremendously."

"Salad consumers are reaching out for more ways to eat salads and more varieties in salads," points out Steele. "It's all because of what they're experiencing at restaurants, where salads have gone from being a side dish to the main dish. In fact, salads as entrées are the fastest growing menu item. Consumers want to recreate this experience at home, which has driven our expansion into food items such as almond toppings. If retailers look at the bigger picture of selling

produce or selling bagged salads, toppers, such as almonds, can be profitable."

Maan agrees, "According to the most recently available figures from the Mintel Global New Products Database [Chicago, IL], new almond-containing, packaged food products in North America grew 30 percent from 2006 to 2007. Almond introductions strongly outpaced the growth of nut products in general, and the rate of new food-product launches overall."

#### SUBTLE TASTE, NOT SO SUBTLE **SALES**

Almonds continue to gain fans in the United States and Canada as consumers learn more about their nutritional

benefits. "The United States nearly doubled from 183 almond products launched in 2003 to 312 almond products launched in 2007. while Canada more than doubled its launches over the same period, from 42 to 109," says ABC's Maan. "This is due in part because consumers believe almonds are nutritious and perceive a product with almonds to be more healthful than one without."

Fisher's Smith agrees, adding, "The biggest health trend pushing sales right now is eating more natural foods such as almonds. The best way to market this trend is through exposure to almonds in different parts of the store - sliced almonds near lettuce and other salad produce, whole almonds near chips and beer items, almond toppings near salad dressings and sliced almonds near baking goods."

"A big display of almonds in the produce

department can boost sales," advises Farm Fresh's Mulholland. "Use recipe cards that include almonds as an ingredient on display next to the nuts and in different parts of the store."

Fresh Gourmet's Steele stresses the importance of the salad business to the produce industry. "Produce executives are not just in the produce business - they're in the salad business. They need to look at their business this way. In upscale restaurants, nuts, such as almonds, are the new croutons. The produce manager needs to look at it through consumers' eves and ask, 'How can we make the connection between buying produce for a salad and buying other items, such as almond toppings?' It's a big growth opportunity for the department and for the store."

On the surface, salad items and baking goods may look like small purchases in and by themselves but, Steele points out, produce managers and store managers should look at the bigger picture - the potential to turn these smaller purchases into larger purchases. "You're not just selling components; you're selling meal solutions or recreations of meals that consumers have experienced away from home. When linked to individual salad items, bagged salads and baking recipes, almonds can be a big piece.

"Retailers need to think of almonds as a bigger sales opportunity," Steele continues. "Be creative in your marketing - when you buy this with that, we'll take a dollar off. Consumers are getting more variety in restaurants, so they want more variety at home. Almond products can be the key component they're looking for and truly help retailers drive sales."



## **FLORAL**



## **Tropical Plant Industry Exhibition**

January 15-17, 2009

**Broward County Convention Center** Fort Lauderdale, FL

Hosted by Florida Nursery, Growers and Landscape Association (FNGLA), Orlando, FL (Booth numbers are subject to change.)

#### Booth 104 Bill Brown's Greenhouses Apopka, FL

Bill Brown's Greenhouses is the nation's largest manufacturer of foliage and cactus terrariums. Our mission is to provide our customers with the finest selection of product available. We ship throughout the United States



Since 1999, Decowraps has become a leading supplier of distinctive packaging options for all levels of fresh flowers and potted plants. We offer prompt service, simplified logistics, and competitive pricing. Our custommade orders are attended to with the highest level of integrity.

#### Booth 225 AG 3, Inc. Eustis. FL

AG 3 is a biological technology company producing and selling tissue culture liners. Our location in Eustis, FL, produces herbaceous perennials, grasses, sedges, bulbs, insectivorous and tropical varieties; our location in Apopka, FL, produces landscaping plants, foliage, aquatics and ferns.

#### Booths 230, 237, 3003 Primescape Products Co. Buffalo Grove, IL

Booth 230 has sub-irrigation tanks and exclusive custom-colored Lechuza products. Booth 237 showcases our latest interior landscaping container and supply products and all-new Web site. Booth 3003 has an up-close look at the finest American-made decorative pots on the market.

#### Booth 239

and Canada.

Tropical Landscapers, Inc. Boynton Beach, FL

We specialize in growing and collecting bougainvillea - bush,



trellis, standard and oneof-a-kind specimens. We also have adonidia palm. ponytail palm and a large variety of unusual flora from 3- to 300-gallon.

#### Booth 325 Allied Growers, Inc. Fort Lauderdale, FL We are internation-

al distributors and

contractual growers of tropical and blooming plants, serving the horticultural and floral industry for over 25 years. For the most eclectic collection of rare and unusual foliage and flowers, Allied is the source.

#### Booth 420 MCT Transportation, LLC Sanford, FL

Providing on-time, consistent service for the foliage industry, MCT prides our customers. Whether you're a garden center needing a delivery for the springtime rush or an interiorscaper with a tight schedule for an installa-

#### **Booth 429 R220** Kerry's Nursery, Inc. Homestead, FL

We create demand with the most fashion-forward products featuring the highest quality orchids, bromeliads and eye-catching pottery from around the world. Discover how our compelling, value-minded living arrangements can help you grow



Oglesby Plants International, Inc. Altha, FL

A breeding and propagation company specializing in tropical plants, Oglesby offers high-quality, tropical, young plants. Well-known for innovative varieties with consistent quality and on time deliveries, Oglesby is the young plant supplier of choice for both big and small wholesale growers.

## Sorensen Greenhouses, Inc.

Ramona, CA & Ruthven, ON, Canada We are proud to introduce our new Home Cactus Collection series featuring our superb quality cacti and succulents in precision-crafted, home-décor friendly ceramic pots. Visit our booth and see the difference quality makes. The best cacti, the best succulents, the best consumer value!

#### Booth 727 Nurserymen's Exchange Half Moon Bay, CA

One of the largest wholesalers of indoor plants, tropical foliage and decorative accessories, servicing retailers nationwide. Our excellence and inspired design is evidenced in all our products. For over 67 years, retailers have found exceptional quality and value under our BloomRite brand.

#### Booth 911 Wekiwa Gardens, Inc. Apopka, FL

your floral department.

Growing quality plants for the discerning garden center, grocery and interiorscaper. We have zebras, spike moss, ferns, cissus, lipstick and pothos. Growing foliage plants for more than 40 years, we offer unique presentation, quality and value so you may offer your customers the same.

#### Booth 912

Mulvehill Nursery, Inc.

Mulvehill Nursery, Inc. Delray Beach, FL Mulvehill Nursery is a family business

that has been growing tropical foliage since 1976. Walk-in customers, LTLs to full loads — we have 40 acres of foliage and landscape plants just for you! Store drops, UPCs, care tags and shine available. We are certified for AZ, TX, LA and Canada.

#### Booth 927 & 1127 Deroose Plants, Inc. Apopka, FL

Quality and strong customer service are our areas of focus at Deroose Plants. Whether you're looking for high-quality liners or unusual and highly desirable finished products to boost your profits, we have a line to fit your business needs. Let us grow along with you.

Crystal

DecoBeads

#### **Booth 1111** Flori-Design, Inc. Eustis, FL

mize profitability for our customers' niche markets. Perfect home décor, rooted, healthy plants, then carefully plant them in a special soil mix to

Our products are designed to maxieach dish garden is designed with the consumer in mind. We start with wellensure a long shelf life.

#### **Booth 1211 Dyna-Gro Nutrition** Solutions

Richmond, CA

Dyna-Gro Nutrition Solutions contain all 16 essential mineral elements plants need for optimum growth and flowering. Pro-TeKt reduces environmental stresses by strengthening cell walls. K-L-N Rooting Concentrate and Root-Gel stimulate root growth.

#### **Booth 1301** Eve's Garden, Inc. Land O' Lakes, FL

Eve's Garden, established in 1979, is a family-owned bonsai tree and lucky bamboo nursery. We offer unique products designed, produced and sold directly to you. Our mission is to provide our customers with the best quality, pricing and customer service possible.

#### **Booth 1309** JRM Chemical Cleveland, OH

Each package of Deco Beads makes over 1½ quarts of round, translucent beads for floral arrangements. Availand do not damage flower stems. Available in color-coded retail pack-

#### **Booth 1311 Cleary Chemical** Dayton, NJ

For 73 years, Cleary has supplied the

fine-turf and ornamental industries with plant protection products, utilizing the most up-to-date technology. Ever alert to specific needs, we will be adding innovative products for the turf and ornamental markets.

### **Booth 1411** CLEARY

Florida Tropiculture, Inc. Miami, FL

owned. We are growers and distributors of indoor and tropical foliage. For 22 years, we have been meeting the needs of our satisfied customers across the United States, Canada and the Caribbean. Let us help boost your profits with our beautiful plants.



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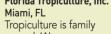
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Wekiwa Grandens





able in 10 colors, they are less expensive and more attractive than marbles ages, displays and bulk sizes.

## **FLORAL**



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#### **Booth 1413** Razbuton Ferns, Inc. Winter Garden, FL

Bright, bold and beautiful — our 10-inch fern baskets speak for themselves. Exclusively for TPIE, we are offering special prices for these 10-inch beauties when they are shipped to you before Valentine's Day. Please visit our booth for full details on pricing.

#### **Booth 2104 Boynton Botanicals** Boynton Beach, FL

Boynton Botanicals is a wholesale nursery offering an extensive selection for the professional. Our exceptional quality and diversification are a small part of what make us different. Customer service is always at the forefront and we look forward to providing you a product of beauty and value.

#### **Booth 2421** Driftwood Gardens, Inc. Apopka, FL

Driftwood Gardens blends natural wood pieces with nursery-grown tillandsia and bromeliads. Our creative display of bromeliad wreaths and dish gardens as well as driftwood and novelty planters offer your customers thoughtful and often whimsical treasures of nature.

#### **Booth 2914** The John Henry Co. Lansing, MI

Eye-appealing packaging and merchandising products to enhance your bottom line. The awardwinning purse will be on display along with new tag elevators and info flips to elevate your tags/message. We have the largest capacity to print tags in Lansing, Dallas and Indianapolis.

#### **Booth 3051** Aldershot of New Mexico, Inc. Mesilla Park, NM

With more than 22 acres in production near Las Cruces, NM, we are a quality grower of potted blooming and foliage plants. Our specialties include mums, kalanchoes, mini roses, begonias, cyclamen, poinsettias and Easter lilies.

### ALDERSHOT

#### AISLE-BY-AISLE BOOTH PREVIEW

#### **Booth 1427** Plants In Design, Inc. Miami, FL

Plants In Design is best known by interiorscapers who demand florist-grade bromeliads at all times. While interiorscape has been our targeted market for more than 25 years, we ship significant quantities of these plants directly to upscale garden centers and supermarkets.

#### Booth 2115 Vaughan, Inc. Sanford, FL

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#### **Booth 2525** Stewart's Greenhouse Mount Dora, FL

Dedicated to providing you with the consistent quality of indoor foliage your customers want and deserve. Stewart's Greenhouses understands our business is your business and our service and quality will drive your sales over the top — and that is precisely our primary goal!

#### **TEMKIN Booth 2930** Temkin International, Inc. Payson, UT

Liven up your floral sales with Temkin's fresh designs for sheets, sleeves, and rolls. New glitter organza upgrade sheets with stripe and swirl patterns available in an assortment of versatile colors. For additional branding, custom wraps can be printed in up to eight colors.

BOTANI-WIPE

#### **Booth B208 Botani-Wipe**

Trinidad, CA Botani-Wipe, The Original Wipe For Plants, is an all-natural plant and leaf polish. Non-toxic, disposable, flushable and alcohol-free. Featuring 100 percent pure Neem oil, the biodegradable wipes can clean away pests, molds and dust from stems. tops and undersides of leaves.

#### **Booth 1920** Palm Tree Packaging Apopka, FL

Palm Tree Packaging is a manufacturer of plant and floral sleeves. We make sleeves out of a large variety of materials including HDPE, CPP, BOPP, fiber, and Kraft paper. Custom printing can be done to photo quality. Come see our newest product, the Bloom Bag.

#### **Booth 2315** A-Roo Company, LLC Strongsville, OH

For more than 40 years A-Roo has created marketing, merchandising and packaging solutions for the floral industry. We have containers, vases, decorative packaging, display fixtures and accessories, films, sleeves and wraps, pot covers, ribbons, bows and picks.

#### **Booth 2952 Hawaiian Sunshine** Nursery, Inc.

Hilo, HI We have been shipping specialty plants around the country since 1981. . Hawaiian volcano plants and our foliage bromeliads are examples of our innovation and creativity. This year we will release a new dracaena to be

#### **Booth 2960 ASB Greenworld** Valdosta, GA

introduced at TPIE.

ASB's peat bog is located in New Brunswick, Canada, with U.S. locations in Georgia and Virginia. We are producers of peat moss and related mixes, including potting soil and mulch products. Over 50 years experience in the industry, international market presence.

#### Booth B409 2906 MAAK Propagation & Research

Miami, FL

MAAK Propagation & Research is a wholesale grower of landscape ornamental and ground-cover liners, with over 20 years in the wholesale nursery business. We are certified to ship liners anywhere and service brokers, landscapers and retailers nationwide.

#### **Booth 1939** Jade Systems, LLC Mills River, NC

Over 35 years in the greenhouse industry providing customers with personal service, Jade offers state-ofthe art, world-renowned glass greenhouses manufactured by KUBO, turnkey projects, custom-designed shade systems and aluminum table systems with roller conveyors.

#### Booths 2327 & 2335 Bernecker's Nursery, Inc.

Goulds, FL

Beautiful palms discovered in the Yucatan by Leo Bernecker have added warmth and gracefulness to homes and businesses for more than 40 years. When Bernecker's palms are teamed with our line of Lechuza subirrigated containers, watering may be required only once a month.

#### Booth 430 C&C Peat Co., Inc. Okahumpka, FL

C&C has been producing individual custom blended potting media mixes for over 25 years. Stop by our booth for information on our unique media components, including Enviro-Peat and Nutri-Bark. We pride ourselves in exceeding expectations to make your growing experience that much easier.

#### **Booth 3047** Chrysal USA Miami, FL

Chrysal Americas is an international company offering a multitude of products for the complete nutrition and care of fresh-cut flowers for growers, wholesalers, florists and supermarkets in the CHRYSAL United States, Canada

> TPIE is the trade event that offers everything foliage, floral and tropical all-in-one loca-

tion at one time, at one place. TPIE's trade show is more than an exhibit area — it's 200,000 square feet of living, vibrant plants creating a virtual indoor garden of show-stopper displays. Educational seminars are a popular part of the annual event. With more than 500 exhibiting companies, TPIE offers wholesale buvers the widest array of resources for foliage and tropical plants in the country.







and Latin America.

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# Reduce Shrink By Preventing Botrytis

Protect floral crops against grey mold by taking proper steps to identify and control it.

BY DR. GEORGE STABY

rev mold (Botrytis cinerea) is a serious plant disease especially harmful to harvested floral crops. Not only do infected flowers and plants look bad and can produce more ethylene but they also often die prematurely, resulting in dissatisfied consumers, lower profits and higher shrinkage rates.

Growers can reduce Botrytis-induced damage in a number of ways, including growing disease-resistant crops, keeping flowers and plants dry, storing them at their proper low temperature and using effective fungicides. Unfortunately, retailers can do very little to control this disease other than keeping flowers and plants dry and storing them at the proper temperature. It's paramount retailers know what they can do to help prevent this disease from developing before they receive flowers and plants. To accomplish this, retailers should communicate Botrytis-related concerns effectively to their suppliers.

Two related but separate series of studies regarding Botrytis can help retailers better understand this disease and how to keep it under control.

The first survey, conducted in 2006 by Perishables Research Organization (PRO), Pioneer, CA, relates to the identification of Botrytis and describes a new, simple and fast way to determine if visible flower and/or plant damages are Botrytis-related.

Editor's note: George Staby, Ph.D., is the founder of Chain of Life Network and cofounder and president of Perishables Research Organization, both based in Pioneer, CA.

Retailers can take proper preventative and corrective actions to control Botrytis only after the disease is identified as the culprit. Before doctors can write a prescription or initiate a treatment, they must know what the ailment is so they do not prescribe the wrong medicine or perform the wrong procedure.

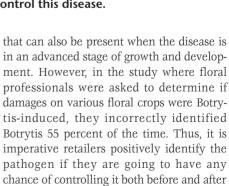
The second study, conducted in 2007 by Dr. Ann Chase, plant pathologist, Chase Horticultural Research, Inc., Mt. Aukum, CA, and

this writer, addresses how to treat the disease and describes two tests using a new treatment to help control Botrytis before and sometimes after - flowers and/or plants reach retailers. This treatment involves the release of chlorine dioxide gas from paper used in flower- and plant-shipping boxes.

#### **IDENTIFYING BOTRYTIS USING "PREGNANCY TEST"**

Botrytis symptoms and damages on floral crops often appear in the form of brownish or dark-colored blotches on petals, leaves and stems. The common name "grey mold" refers to the grayish/fuzzy looking material

by Dr. George Staby In an advanced state of growth and development on roses, Grey mold (Botrytis cinerea) is distinguished by a grayish/fuzzy-looking material and brown petals. At this stage, it is too late to control this disease. that can also be present when the disease is



Forsite Diagnostics, Ltd., York, England, and EnviroLogix, Inc., Portland, ME, produce an accurate and simple-to-use Botrytis test kit that retailers can use to determine if any visible symptom on any floral crop is

the flowers and plants are harvested.

Botrytis. Many referred to it as the "pregnancy test" for Botrytis since similar technology is also used to determine if females are pregnant by testing their urine for a specific

The Botrytis test takes about five to 10 minutes. With the Forsite test, users place small amounts of the damaged flower, leaf and stem tissue that have the Botrytis symptoms into a vial that contains liquid and small ball bearings. After replacing the cap, users shake the vial - as if they were making a martini - with the ball bearings helping to mix the tissue with the liquid. Finally, users place a small amount of the mixed liquid into a receptacle to see if one or two identification lines form. If only one line forms. Botrytis was not found. If two lines form, Botrytis was detected. The EnviroLogix test kit works in a similar manner.

#### **BOTRYTIS CONTROL** USING CHLORINE DIOXIDE

Chlorine dioxide is a gas that can be used as a fumigant in either a liquid when mixed with water or in the gaseous state. Compared to common household bleach containing sodium hypochlorite, chlorine dioxide has about 2.5 times more oxidizing (microbe killing) capabilities. Its disinfecting power is relatively constant over a broad pH range (approximately 6.0 to 10.0) and does not produce byproducts that are harmful to humans or the environment.

The floral industry currently uses a water version of chlorine dioxide to sanitize irrigation systems in greenhouses and develop other water versions as sprays or dips to control certain microbes. In the past, the industry has not commercially utilized gaseous versions with floral crops until Seaman Paper, Otter River, MA, and BASF, Ledgewood, NJ, developed a paper delivery system for this gas.



The Botrytis "pregnancy test" is simple and easy to use.

### **Botrytis Control Measures -**

otrytis cinerea-induced damages can cause significant financial burdens at retail. Now that the floral industry has two new products at their disposal for the identification and management of this disease, retailers can implement the following to improve crop quality, reduce losses and improve consumer satisfaction.

Retailers can quickly and easily test incoming floral crops that exhibit symptoms of Botrytis to determine if the damages are related to Botrytis. Once they know the test results, they can take corrective actions, such as notifying the supplier of the findings, isolating the shipment and rejecting the shipment.

Retailers should request or consider requiring flowers and plants be shipped to them with the chlorine dioxide-releasing paper in the shipping cartons/boxes as a preventative tool to reduce the chances of Botrytis spreading to healthy flowers and plants and thus improve overall flower and plant quality. Investing about 25¢ to 35¢ per box of flowers or plants should result in good returns on investment.

When retailers suspect visual damages are Botrytis but the Botrytis test kit reveals that this is not the case, they should relay this information to the suppliers so they can take other avenues of identification, prevention and control to correct this problem on future shipments. As an example, retailers can sometimes confuse mechanically induced damages resulting from rough handling of flowers and/or plants with Botrytis symptoms. In this case, Botrytis control measures would not be the solution.

Working with TransFresh Corp., Salinas, CA, and Floralife, Inc., Walterboro, SC, PRO tested a paper delivery system on floral crops. Under this delivery system, floral crops are wrapped in shipping boxes lined with paper that releases chlorine dioxide in response to moisture (water or humidity). The gas then can control certain pathogens such as Botrytis.

Early tests to determine if chlorine dioxide gas released from sachet delivery systems could control Botrytis in shipping boxes showed mixed results. In addition, researchers encountered phytotoxicity when chlorine dioxide levels got too high, resulting in light-colored or bleached spots on the

> flowers' petals and stems. Researchers believe this is the result of the gas accumulating in areas of damaged tissue where moisture is present.

Researchers established subsequent tests to quantify Botrytis control on cut roses held in shipping boxes using new chlorine dioxidereleasing paper formulations. In the second study. Chase and this writer evaluated two formulations of the chlorine dioxide-releasing paper for their ability to control Botrytis in shipping boxes of cut roses. Researchers held flowers in these boxes for four days and determined the results.

The addition of chlorine dioxide-releasing paper to flower boxes reduced the number of Botrytis colonies developing (and hence the spread of this pathogen) by an average of 85 percent. Thus, using this paper should be an effective means of keeping Botrytis spores that are present nearly everywhere surrounding plant production and postharvest handling from infecting flowers during shipping. Retailers can expect best results for flower storage and/or transit times of seven days or less. In addition, the paper should not come in direct contact with flowers only the bunch sleeves.

In another test, some non-chlorine dioxide paper-treated cultivars developed no symptoms, thus, the chlorine dioxide-releasing paper would have no effect, while some cultivars developed very severe symptoms. Out of the 13 cultivars that exhibited symptoms, chlorine dioxide paper significantly reduced Botrytis symptoms on five.

Retailers will probably not be able to control any infections that have started before exposure to the chlorine dioxide releasing paper. In short, they should view using chlorine dioxide-releasing paper as an insurance policy to reduce the chances of increased diseased development, but not seen as a cure-all.

#### RETAIL PERSPECTIVE



# **Cash Credit** And Leverage

ationally known pollster John Zogby has spent most of his professional career interpreting public-opinion surveys from consumer preferences to cultural mores. Recently, his analytical interpretation placed each generation of those born between 1926 and 1990 into four distinct cultural and economic groups.

Unsurprisingly, the generation born prior to 1945 was most likely to defer instant gratification. By contrast, the following three generations have become increasingly materialistic with steadily growing reliance on the use of credit.

Having grown up in that first generation, I still retain its lessons. In early 1941, health insurance did not exist and my family had little money in the bank to pay for my hospital stay. When I came

home, my father sold a truckload of wheat to pay the surgeon and the hospital bills. We were among the lucky few. My father repeatedly told me the only time you should borrow money is to buy real estate or start a business - a standard he followed after World War I when he purchased a farm and worked 24/7 to pay back the loan. Undoubtedly, the events of July 8, 1932, when the Dow Jones Industrial Average reached the lowest level of the Great Depression, strongly influenced those beliefs.

When I was entering the workforce, credit cards were just starting to make an appearance, and most people who had them regularly paid the entire monthly statement. As the years passed, people, companies and governments found they could speed up the process of instant gratification, acquisition and profitable reselling with the expansion of credit. For decades, the process worked its magic.

In some instances, major industries relied on cheap credit for consumers as the primary tool to overextend capacity and keep volume growing. Since 1988, U.S. consumer debt tripled to today's \$2.6 trillion. Without this credit expansion, automobile factories would have

been forced to close, homebuilders retrench and in each case, the ripple effect would have resulted in multiple suppliers losing multi-

As time passed, a new element came into existence: leverage. It wasn't the prudent leverage one traditionally experienced by borrowing for working capital or capital equipment. Instead, it included various financial-related entities, which, in recent years, leveraged assets 40 times and higher in limited instances. One notable observed, "Assuming risk one can't repay punishes everyone. Deleveraging is like divorce."

**Assuming more** risk than a supplier, grower, marketer, retailer or consumer can financially afford provides potential for unintended consequences.

Throughout most of the past century, the battle between cash and credit advocates has raged. Perhaps the bible for conservative consistent finance has been Benjamin Graham and David Dodd's Security Analysis, first published in 1934, during the middle of the Depression. It states, "One of the effects of a highly leveraged capital structure is to make the market value of the company largely unpredictable. In a favorably financed climate, a company might be valued at a premium, but when sentiment is adverse, it might just as easily sell at a discount. In a speculative market, investors pay more attention to return on equity and the implied growth prospects than to the high risk." When the economic environment changes, the opposite can be equally true. No wonder Warren Buffett chose Benjamin Graham as his mentor and became one of the

country's most successful investors.

During college, my financial planning courses featured cash-flow accounting and valuation as well as present and future value calculations. My 50-plus-year-old Financial Handbook principals and formulas are still relevant and useful today. However, during the mid-1980s, mortgage-bond traders devised a method of lending without using capital, which became the heart of securitization, a shadow banking system to be popularized in Securitization of Credit by Juan Ocampo and James A Rosenthal. In recent years, graduate-school financial engineers developed increasingly sophisticated computer programs, created a process anyone could sell and powered growth around the world through leverage few people

In the ensuing years, increasing amounts of credit became the engine of growth for individuals, companies and governments. The result has been conspicuous consumption, overexpansion and taxation growth to pay for deficit spending. Now, the credit leveraging is contracting with an unprecedented and catastrophic amount of wealth wiped out.

The balance between cash, credit and leverage is really a matter of risk assumption with its consequences. "Globalization has been likened to two institutions we know as democracy and marriage. Both institutions at times can be problematic, but the alternatives can be worse," reports former U.S. Treasury official Mark DeLand. Moving from sound business fundamentals to get-rich-quick programs brought us to where we are today. Assuming more risk than a supplier, grower, marketer, retailer or consumer can financially afford provides potential for unintended consequences. Everyone has a choice and a responsibility.

# VOICE OF THE INDUSTRY



# Courting Consumer-Affairs Advisors

s a public relations/marketing communications professional working in the produce industry, I consider myself quite fortunate to have developed meaningful relationships with supermarket-chain consumer-affairs professionals over the years.

It all started with a crisis. More than a decade ago, I flew to Virginia for a meeting of Food Marketing Institute's (FMI) Consumer Affairs Committee to discuss a labor crisis facing California's strawberry industry. As we worked together on mitigating the crisis (and others since including food safety), I better recognized the important and valuable role consumer-affairs professionals play in communicating directly with the consumer.

Giant Food's Ester Peterson pioneered the world of retail chain

consumer affairs. A former special assistant for consumer affairs to President Lyndon Johnson, in 1971 the late Peterson helped Giant become the first U.S. retailer to roll out nutritional labeling. Her strong consumer advocacy helped supermarkets develop a framework for building trust with consumers. Consumers trust retailers if they know their supermarket chain truly cares about them and their families.

Over the years, many retail consumeraffairs advisors have told me they love the produce industry because it gives supermarkets a platform to communicate positive health messages to their consumers through their newsletters, Web sites and other direct-to-consumer vehicles. Retailers want to partner with produce suppliers in building consumer demand.

That's where we come in. In addition to working with our friends in produce departments, I strongly suggest produce suppliers and commodity boards seek to partner with retail consumer-affairs advisors, registered dietitians and community-relations, marketing and communications/public affairs/public relations professionals.

Here's a great way to start. Attend - and perhaps sponsor -FMI's annual Consumer Affairs, Communications and Community Relations Seminar. It's a great way to learn about the opportunities supermarket chains face every day. Dagmar Farr, FMI's group vice president of legislative and consumer affairs, leads this group. Next year's conference will be in October (after PMA's Fresh Summit) but the location and dates will not be determined until early 2009.

During this year's FMI conference in October in Boston, I had the privilege of speaking to retailers about one of my favorite topics - Produce for Kids (PFK), which promotes the benefits of healthful eating and supports worthy causes for children.

Many retailers support PFK because it is a great cause-marketing program they can customize and integrate into their existing corporate initiatives. Thanks to PFK partner retailers and sponsors, the produce industry has raised more than \$2 million for the Children's Miracle Network and PBS Kids since 2002.

At the conference, many presenters shared new information regarding health and product usage. Author/registered dietitian David Grotto talked about the nutritional benefits of Chilean Hass avocados. Trained by Second City in Chicago, Grotto uses humor to communicate health messages to consumers. His 101 Foods That Could Save Your Life is a must-read for everyone in the industry.

As a former American Dietetic Association media spokesperson, Grotto really connects with retailers. During the seminar, attendees

> learned about using a plastic storage bag to create a Chilean Hass avocado spread that can replace butter or mayonnaise.

> You can sponsor a reception as did the Georgia Pecan Commission. Retailers learned pecans contain more antioxidants than any other nut. Attendees also learned important facts about Vidalia onions through the Vidalia Onion Committee's in-conference trivia contest.

> These gatherings are a big reason why communicating with retail consumer-affairs professionals is important - they are great messengers for the produce industry.

> Whether you start with the annual October conference or approach each chain directly, you should consider partnering with retail consumer-affairs advisors in future marketing and communications endeavors. If you have a new

consumer-friendly product, they are a crucial asset.

Retailers are typically open to new research findings and exciting recipes they can utilize in their consumer communications vehicles. Obviously, it is easier to integrate your messages with a chain if you already have a planned promotion with the retailer's produce department.

Will it cost you money? It depends on the retailer. It never hurts to ask retailers to become partners with us. At the end of the day, supermarket chains and produce suppliers are ultimately after the same thing — increased consumption of fruits and vegetables.

Retailers have a strong commitment to offering produce because they understand its profitability, but they are also keenly aware produce plays an integral part in the daily lives of consumers.

Consumers trust retail consumer-affairs advisors and I trust them, too. They are great allies for the produce industry and I wholeheartedly embrace what they do.

**Supermarket** chains and produce suppliers are ultimately after the same thing — increased consumption of fruits and vegetables.

Gary Caloroso is vice president of Sahlman-Williams, Inc., Tampa, FL, and a member of the Produce Business 2008 40-Under-Forty class.

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## **EUROPEAN**



# Q & A With Philippe Binard

Philippe Binard is the secretary general of Freshfel Europe, the European association of fresh produce, importers, exporters, wholesalers, distributors and retailers, based in Brussels, Belgium

> This is the second part of a 2-part interview.

#### Q: With the proposed Pan-European School Fruit Scheme, is the European Union looking to target certain countries where the need is greater from a health or cost standpoint?

A: The program is open to all member states. Those already implementing programs should not substitute current E.U. money, but use it to grow the program. It might be surprising when you examine the health data. The worst in Europe is mainly in the United Kingdom – where obesity has become an important problem – and in southern European countries, normally famous for the Mediterranean diets rich in fruits and vegetables, where the problem seems to be insidious. There is not an effort by the European Union to decide; it is up to the sector in each of the countries to authorize to do the program based on local discussions.

Editor's note: On Nov. 18, 2008, The European Parliament Committee on Agriculture unanimously adopted the €90 million budget for the E.U. School Fruit Scheme. Its report included an amendment to increase the budget to €500 million, but despite this, the Commission has remained steadfast on €90 million for the first three years and evaluating the program before expanding the budget.

#### Q: What steps will Freshfel take now to help push this program forward and build produce consumption across Europe?

A: We acted at the early stage of policy-making — what was an idea turned into a concrete proposal. Freshfel has been active at various levels to address overall stagnation of fruits and vegetables in most countries.

The role we have now is double; on one hand to make sure there is a platform to exchange best practices and facilitate the networking of best practice at national levels. Learn what works and what doesn't work and contribute in this exchange of ideas. It is important to have good networking with experts in the sector, those who grow and distribute produce, those in education, environment and health need to communicate with each other. There must be a good link between all the different elements, but so far there hasn't been so much networking.

Then we'll have a role to play in distribution and logistics strategies. We have to make sure we find the best way for delivering the product and get those who are involved in good programs to exchange views on the most effective ways to get this done. Then provide input with the European Union on implementation rules. On a technical level, there are a number of things that need to be discussed and integrated into the implementation legislation. Our role is far from over.

#### Q: You've pointed out that once the programs are underway, it will be critical to evaluate progress in order to secure continued funding.

A: So many people have been supporting the idea that this is an important program to change behavior. Whatever decision is

reached on the budget, if it is not used in full or implemented properly, efforts will not be realized. It is worth insuring the program is secured and carried on to the maximum of its possibility, and is operating with the largest chance of success for the coming years. After two or three years, an evaluation of the policy may result in the program being discontinued.

Such a program could have a snowball affect, changing eating habits and consumption at home. This has been demonstrated with Food Dudes [in Ireland], where parent involvement is an important element. Not only are kids sharing what they've learned in school with the family, but they are also asking for fruits and vegetables, and insisting parents buy produce during the grocery-shopping trip.

#### Q: Is there an effort to involve supermarkets and food service operators in these schemes?

A number of programs in supermarkets market to children, offering smaller sized product designed for them, some promoting healthy lunch boxes that include a banana or apple. Maybe there could be a program developed by supermarkets that ties in directly with the school's approach. In the United Kingdom, for example, Morrisons is already starting to link the school campaign with action in the store to encourage children to take produce. I've seen this interaction done well in France as well.

With the foodservice sector there is much potential to build off the free fruit and vegetable program, perhaps delivering healthful meals at schools and maybe adapting serving sizes. Actions are needed to provide the school kitchen with the right equipment for preparation of healthful meals. It's not only about making sure product is physically available, but also that all the different campaigns are implemented to spread awareness and education. In other research, we found some children in urban environments didn't know where milk came from. It's important to bring children closer to nature and teach them about the production process, educating the youngest on why it is good to eat strawberries or clementines.

#### Q: In a broader sense, does Freshfel work on unified marketing and promotion efforts?

A: When you look at Europe as it is today, there is still a lot of fragmentation in the market. It requires different approaches to talk to a German consumer or a Spanish consumer. We try to have the possibility for local discussion of E.U. policy and help pass on views to policy makers in Brussels and facilitate communication long term. We recognized that it could be beneficial to have a single logo and image to promote a common goal and we've been in the process of developing one in the last year. At the same time the success of these programs will hinge on the way they are implemented, monitored and evaluated at the local level.

From an interview by Mira Slott in Jim Prevor's Perishable Pundit, Oct. 17, 2008.



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Reader Service # 47

# Blast

hen the four Streef brothers opened Streef Produce, Inc., in 1977, Peter Streef was just graduating high school. More than 30 years later, Princeton, ON, Canada-based Streef Produce is the only farmbased corporation at the Ontario Food Terminal in Toronto, ON. "You can say potato farming runs in our veins," states Streef. His uncle and grandfather, Pete and Opa Boula, are shown in this 1928 photo with their harvest in Southern Holland. Streef's parents came to Canada in the 1950s and bought a 15-acre farm in 1960.

Streef's 26-year-old nephew Chris is taking on the role of general manager as the company continues to successfully operate on the market. "We've had a tough year," notes Peter Streef, "but we owe it to the people who afforded us this lifestyle to keep it growing."

The Blast from the Past is a regular feature of PRODUCE BUSINESS. We welcome submissions of your old photos, labels or advertisements along with suggested captions. Please send materials to: Editor, Produce Business, P.O. Box 810425, Boca Raton, FL 33481-0425, or e-mail info@producebusiness.com



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Awe Sum Organics, Inc	28	69	831-462-2244	831-462-255
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Capital City Fruit Co., Inc	96	40	515-981-5111	515-981-456
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Chilean Avocado Importers Association	55	55	202-626-0560	
Coast To Coast Produce Co	85	35	877-836-6295	671-381-006
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Pandol Brothers, Inc.         28         61         661-725-3145         .661-725-474*           Peri & Sons Farms         20         60         .775-463-4444         .775-463-402!           Phillips Mushroom Farms         20         11         .800-722-8818         .610-444-475           Plain Jane         47         2         .520-281-2282         .520-761-182!           Premium Produce Distributors, Inc.         48         .38         .520-281-4224         .520-281-091!           Produce for Better Health Foundation         .78         .49         .302-235-2329         .302-235-555!           Red Blossom Farms, Inc.         .74-75         .75         .805-981-1839         .805-981-184!           Rene Produce Distributors, Inc.         .48         .68         .520-281-9206         .520-281-293           Saven/OSO Sweet         .52         .12         .231-946-9696         .520-281-293           Seald Sweet International         .98         .34         .800-237-7525         .772-69-216           Arthur G. Silk, Inc.         .89         .17         .617-884-1370         .617-884-491!           S. Strock & Co., Inc.         .81         .23         .617-884-1816         .617-884-491!           S. Strock & Co., Inc.         .81         .23	Olivia's Organics	86	36	617-884-1816	617-884-4919
Peri & Sons Farms         20         60         .775-463-4444         .775-463-4022           Phillips Mushroom Farms         20         .11         .800-722-8818         .610-444-475           Plain Jane         .47         .2         .520-281-2282         .520-761-1824           Premium Produce Distributors, Inc.         .48         .38         .520-281-4224         .520-281-0911           Produce for Better Health Foundation         .78         .49         .302-235-2329         .302-235-555           Red Blossom Farms, Inc.         .74-75         .75         .805-981-1839         .805-981-1844           Rene Produce Distributors, Inc.         .48         .68         .520-281-9206         .520-281-293           Saven/OSO Sweet         .52         .12         .231-946-9696         .520-281-293           Saven/OSO Sweet         .52         .12         .231-946-9696         .520-281-293           Seald Sweet International         .98         .34         .800-237-7525         .772-569-216           Arthur G. Silk, Inc.         .89         .17         .617-884-1816         .617-884-4915           S. Strock & Co., Inc.         .81         .23         .617-884-1915         .617-884-4915           S. Strock & Co., Inc.         .81         .23	Pack-Right LLC	45	16	888-706-2400	520-377-2874
Peri & Sons Farms         20         60         .775-463-4444         .775-463-4022           Phillips Mushroom Farms         20         .11         .800-722-8818         .610-444-475           Plain Jane         .47         .2         .520-281-2282         .520-761-1824           Premium Produce Distributors, Inc.         .48         .38         .520-281-4224         .520-281-0911           Produce for Better Health Foundation         .78         .49         .302-235-2329         .302-235-555           Red Blossom Farms, Inc.         .74-75         .75         .805-981-1839         .805-981-1844           Rene Produce Distributors, Inc.         .48         .68         .520-281-9206         .520-281-293           Saven/OSO Sweet         .52         .12         .231-946-9696         .520-281-293           Saven/OSO Sweet         .52         .12         .231-946-9696         .520-281-293           Seald Sweet International         .98         .34         .800-237-7525         .772-569-216           Arthur G. Silk, Inc.         .89         .17         .617-884-1816         .617-884-4915           S. Strock & Co., Inc.         .81         .23         .617-884-1915         .617-884-4915           S. Strock & Co., Inc.         .81         .23	Pandol Brothers, Inc	28	61	661-725-3145	661-725-4741
Plain Jane         47         2         520-281-2282         .520-761-182!           Premium Produce Distributors, Inc.         48         .38         .520-281-4224         .520-281-091!           Produce for Better Health Foundation         78         .49         .302-235-2329         .302-235-555!           Red Blossom Farms, Inc.         .74-75         .75         .805-981-1839         .805-981-184!           Rene Produce Distributors, Inc.         .48         .68         .520-281-9206         .520-281-293.           Saven/OSO Sweet         .52         .12         .231-946-9696         .231-946-142!           Seald Sweet International         .98         .34         .800-237-7525         .772-569-216!           Arthur G. Silk, Inc.         .89         .17         .617-884-1310         .617-884-769!           S. Strock & Co., Inc.         .81         .23         .617-884-311         .617-884-781           S. Strock & Co., Inc.         .81         .23         .617-884-311         .617-884-781           Sunried         .41         .1         .866-4-SUNFED         .529-761-144!           Sunny Fresh Citrus         .54         .77         .772-770-0207         .772-770-0207           Sunny Fresh Citrus         .54         .77					
Premium Produce Distributors, Inc.         48         38         520-281-4224         .520-281-091           Produce for Better Health Foundation         78         49         .302-235-2329         .302-235-555           Red Blossom Farms, Inc.         .74-75         .75         .805-981-1839         .805-981-1844           Rene Produce Distributors, Inc.         .48         .68         .520-281-9206         .520-281-293           Saven/OSO Sweet         .52         .12         .231-946-9696         .231-946-142           Seald Sweet International         .98         .34         .800-237-7525         .772-569-216           Arthur G. Silk, Inc.         .89         .17         .617-884-1370         .617-884-769           State Garden, Inc./Olivia's         .86         .36         .617-884-1370         .617-884-769           S. Strock & Co., Inc.         .81         .23         .617-884-263         .617-884-918           S. Strock & Co., Inc.         .81         .23         .617-884-918         .617-884-918           S. Unifed         .41         .1         .866-4-SUNFED         .529-761-144           Sunny Fresh Citrus         .54         .77         .772-770-0207         .772-770-0207           Sunny Fresh Citrus         .54         .77	Phillips Mushroom Farms	20	11	800-722-8818	610-444-4751
Produce for Better Health Foundation         78         49         .302-235-2329         .302-235-5555           Red Blossom Farms, Inc.         .74-75         .75         .805-981-1839         .805-981-1844           Rene Produce Distributors, Inc.         .48         .68         .520-281-9206         .520-281-293           Saven/OSO Sweet         .52         .12         .231-946-9696         .231-946-142           Seald Sweet International         .98         .34         .800-237-7525         .772-569-216           Arthur G. Silk, Inc.         .89         .17         .617-884-1370         .617-884-769           State Garden, Inc./Olivia's         .86         .36         .617-884-371         .617-884-491           S. Strock & Co., Inc.         .81         .23         .617-884-9616         .617-884-491           S. Unifed         .41         .1         .866-4-SUNFED         .529-761-144           Sunight Int'l. Sales         .19         .46         .661-792-6360         .661-792-652           Sunny Fresh Citrus         .54         .77         .772-770-0207         .772-770-0207           Sunny Fresh Citrus         .54         .77         .772-770-0207         .772-770-0207           Sunny Fresh Citrus         .54         .77 <td< td=""><td>Plain Jane</td><td> 47</td><td>2</td><td>520-281-2282</td><td>520-761-1829</td></td<>	Plain Jane	47	2	520-281-2282	520-761-1829
Red Blossom Farms, Inc.         74-75         75         .805-981-1839         .805-981-1844           Rene Produce Distributors, Inc.         48         .68         .520-281-9206         .520-281-9233           Saven/OSO Sweet         .52         .12         .231-946-9696         .231-946-1428           Seald Sweet International         .98         .34         .800-237-7525         .772-569-2168           Arthur G, Silk, Inc.         .89         .17         .617-884-1370         .617-884-7681           State Garden, Inc./Olivia's         .86         .36         .617-884-1816         .617-884-4919           S. Strock & Co., Inc.         .81         .23         .617-884-0263         .617-884-4731           Sunfed         .41         .1         .866-4-SUNFED         .529-761-1441           Sunlight Int'I. Sales         .19         .46         .661-792-6360         .661-792-6522           Sunny Fresh Citrus         .54         .77         .772-770-0207         .772-770-0207           SunnyRidge Farm, Inc.         .66         .45         .863-299-1894         .863-299-779           Tanimura & Antle, Inc.         .5         .41         .800-772-4542         .831-455-391           Target Interstate Systems, Inc.         .91         .79	Premium Produce Distributors, Inc	48	38	520-281-4224	520-281-0910
Rene Produce Distributors, Inc.         48         68         520-281-9206         .520-281-923           Saven/OSO Sweet         52         12         .231-946-9696         .231-946-1428           Seald Sweet International         98         .34         .800-237-7525         .772-569-2166           Arthur G, Silk, Inc.         89         .17         .617-884-1370         .617-884-7681           State Garden, Inc./Olivia's         .86         .36         .617-884-1816         .617-884-4918           S. Strock & Co., Inc.         .81         .23         .617-884-0263         .617-884-4731           Sunfed         .41         .1         .866-4-SUNFED         .529-761-1441           Sunlight Int'I. Sales         .19         .46         .661-792-6350         .661-792-6352           Sunny Fresh Citrus         .54         .77         .772-770-0207         .772-770-0207           SunnyRidge Farm, Inc.         .66         .45         .863-299-1894         .863-299-779           Tanimura & Antle, Inc.         .5         .41         .800-772-4542         .831-455-391           Target Interstate Systems, Inc.         .91         .79         .800-338-2743         .800-422-432*           P. Tavilla Co., Inc.         .84         .14         .617-	Produce for Better Health Foundation	78	49	302-235-2329	302-235-5555
Saven/OSO Sweet         52         12         231-946-9696         231-946-142           Seald Sweet International         98         34         800-237-7525         .772-569-2161           Arthur G. Silk, Inc.         89         17         .617-884-1370         .617-884-7693           State Garden, Inc./Olivia's         86         36         .617-884-1816         .617-884-4919           S. Strock & Co., Inc.         81         23         .617-884-0263         .617-884-7311           Sunfed         41         .1         .866-4-SUNFED         .529-761-1441           Sunlight Int'I. Sales         19         .46         .661-792-6360         .661-792-6522           Sunny Fresh Citrus         .54         .77         .772-770-0207         .772-770-0207           Sunny Ridge Farm, Inc.         .66         .45         .863-299-1894         .863-299-779           Tanimura & Antle, Inc.         .5         .41         .800-772-4542         .831-455-391           Target Interstate Systems, Inc.         .91         .79         .800-338-2743         .800-422-4321           P. Tavilla Co., Inc.         .84         .14         .617-884-9100         .617-884-2691           Thomas Produce Sales, Inc.         .48         .76         .520-281-4788 <td>Red Blossom Farms, Inc</td> <td> 74-75</td> <td>75</td> <td>805-981-1839</td> <td>805-981-1842</td>	Red Blossom Farms, Inc	74-75	75	805-981-1839	805-981-1842
Seald Sweet International         98         34         800-237-7525         .772-569-2161           Arthur G. Silk, Inc.         89         17         .617-884-1370         .617-884-7693           State Garden, Inc./Olivia's         86         .36         .617-884-1816         .617-884-4911           S. Strock & Co., Inc.         81         .23         .617-884-0263         .617-884-7311           Sunfed         .41         .1         .866-4-SUNFED         .529-761-1441           Sunlight Int'I. Sales         .19         .46         .661-792-6360         .661-792-6522           Sunny Fresh Citrus         .54         .77         .772-770-0207         .772-770-0207           SunnyRidge Farm, Inc.         .66         .45         .863-299-1894         .863-299-779           Tanimura & Antle, Inc.         .5         .41         .800-772-4542         .831-455-3911           Target Interstate Systems, Inc.         .91         .79         .800-338-2743         .800-422-4321           P. Tavilla Co., Inc.         .84         .14         .617-884-9100         .617-884-2691           Thomas Produce Sales, Inc.         .48         .76         .520-281-4788         .520-281-2702           To-Jo Fresh Mushrooms, Inc.         .38         .78	Rene Produce Distributors, Inc	48	68	520-281-9206	520-281-2933
Arthur G. Silk, Inc.         89         17         .617-884-1370         .617-884-7690           State Garden, Inc./Olivia's         86         .36         .617-884-1816         .617-884-4919           S. Strock & Co., Inc.         81         .23         .617-884-0263         .617-884-7311           Sunfed         .41         .1         .866-4-SUNFED         .529-761-1444           Sunight Int'I. Sales         .19         .46         .661-792-6360         .661-792-6529           Sunny Fresh Citrus         .54         .77         .772-770-0207         .772-770-0207           SunnyRidge Farm, Inc.         .66         .45         .863-299-1894         .863-299-779           Tanimura & Antle, Inc.         .5         .41         .800-772-4542         .831-455-391           Target Interstate Systems, Inc.         .91         .79         .800-338-2743         .800-422-4324           P. Tavilla Co., Inc.         .84         .14         .617-884-9100         .617-884-2690           Tho-mas Produce Sales, Inc.         .48         .76         .520-281-4788         .500-281-2700           To-Jo Fresh Mushrooms, Inc.         .38         .78         .610-268-8082         .610-268-804           Turbana Banana Corp         .76-77         .63 <t< td=""><td>Saven/OSO Sweet</td><td> 52</td><td>12</td><td>231-946-9696</td><td>231-946-1420</td></t<>	Saven/OSO Sweet	52	12	231-946-9696	231-946-1420
State Garden, Inc./Olivia's         86         36         .617-884-1816         .617-884-491           S. Strock & Co., Inc.         81         23         .617-884-0263         .617-884-731           Sunfed         41         .1         .866-4-SUNFED         .529-761-144           Sunlight Int'l. Sales         19         .46         .661-792-6360         .661-792-652           Sunny Fresh Citrus         .54         .77         .772-770-0207         .772-770-0207           SunnyRidge Farm, Inc.         .66         .45         .863-299-1894         .863-299-779           Tanimura & Antle, Inc.         .5         .41         .800-772-4542         .831-455-391           Target Interstate Systems, Inc.         .91         .79         .800-338-2743         .800-422-432           P. Tavilla Co., Inc.         .84         .14         .617-884-9100         .617-884-269           Thomas Produce Sales, Inc.         .48         .76         .520-281-4788         .520-281-270           To-Jo Fresh Mushrooms, Inc.         .38         .78         .610-268-8082         .610-268-804           Turbana Banana Corp         .76-77         .63         .800-TURBANA         .305-443-890           Uncle Matt's Organic         .54         .24         .866-626-	Seald Sweet International	98	34	800-237-7525	772-569-2168
S. Strock & Co., Inc.       81       23       .617-884-0263       .617-884-7311         Sunfed       41       .1       .866-4-SUNFED       .529-761-1444         Sunlight Int'l. Sales       19       .46       .661-792-6360       .661-792-652         Sunny Fresh Citrus       54       .77       .772-770-0207       .772-770-0207         Sunny Fresh Citrus       54       .77       .772-770-0207       .772-770-0207         Sunny Fresh Citrus       66       .45       .863-299-1894       .863-299-779         Tanimura & Antle, Inc.       .5       .41       .800-772-4542       .831-455-391         Target Interstate Systems, Inc.       .91       .79       .800-338-2743       .800-422-432         P. Tavilla Co., Inc.       .84       .14       .617-884-9100       .617-884-269         Thomas Produce Sales, Inc.       .48       .76       .520-281-4788       .520-281-270         To-Jo Fresh Mushrooms, Inc.       .38       .78       .610-268-8082       .610-268-804         Turbana Banana Corp       .76-77       .63       .800-TURBANA       .305-443-890         Uncle Matt's Organic       .54       .24       .866-626-4613       .352-394-100         United Fresh Produce Association       .109	Arthur G. Silk, Inc	89	17	617-884-1370	617-884-7693
Sunfed         41         1         866-4-SUNFED         .529-761-1444           Sunlight Int'l. Sales         19         46         .661-792-6360         .661-792-6529           Sunny Fresh Citrus         54         .77         .772-770-0207         .772-770-0207           SunnyRidge Farm, Inc.         .66         .45         .863-299-1894         .863-299-779           Tanimura & Antile, Inc.         .5         .41         .800-772-4542         .831-495-391           Target Interstate Systems, Inc.         .91         .79         .800-338-2743         .800-422-4329           P. Tavilla Co., Inc.         .84         .14         .617-884-9100         .617-884-269           Thomas Produce Sales, Inc.         .48         .76         .520-281-4788         .520-281-270           To-Jo Fresh Mushrooms, Inc.         .38         .78         .610-268-8082         .610-268-864           Turbana Banana Corp.         .76-77         .63         .800-TURBANA         .305-443-890           Uncle Matt's Organic         .54         .24         .866-626-4613         .352-394-100           United Fresh Produce Association         .109         .47         .202-303-3400         .202-303-3400	State Garden, Inc./Olivia's	86	36	617-884-1816	617-884-4919
Sunlight Int'l. Sales         19         46         .661-792-6360         .661-792-6525           Sunny Fresh Citrus         54         .77         .772-770-0207         .772-770-0207           SunnyRidge Farm, Inc.         .66         .45         .863-299-1894         .863-299-779           Tanimura & Antle, Inc.         .5         .41         .800-772-4542         .831-455-391           Target Interstate Systems, Inc.         .91         .79         .800-338-2743         .800-422-432           P. Tavilla Co., Inc.         .84         .14         .617-884-9100         .617-884-269           Thomas Produce Sales, Inc.         .48         .76         .520-281-4788         .520-281-270           To-Jo Fresh Mushrooms, Inc.         .38         .78         .610-268-8082         .610-268-864           Turbana Banana Corp.         .76-77         .63         .800-TURBANA         .305-443-890           Uncle Matt's Organic         .54         .24         .866-626-4613         .352-394-100           United Fresh Produce Association         .109         .47         .202-303-3400         .202-303-3400	S. Strock & Co., Inc	81	23	617-884-0263	617-884-7310
Sunny Fresh Citrus         54         77         772-770-0207         772-770-0207           SunnyRidge Farm, Inc.         66         45         .863-299-1894         .863-299-779           Tanimura & Antle, Inc.         .5         41         .800-772-4542         .831-455-391           Target Interstate Systems, Inc.         .91         .79         .800-338-2743         .800-422-432           P. Tavilla Co., Inc.         .84         .14         .617-884-9100         .617-884-269           Thomas Produce Sales, Inc.         .48         .76         .520-281-4788         .520-281-270           To-Jo Fresh Mushrooms, Inc.         .38         .78         .610-268-8082         .610-268-864           Turbana Banana Corp.         .76-77         .63         .800-TURBANA         .305-443-890           Uncle Matt's Organic         .54         .24         .866-626-4613         .352-394-100           United Fresh Produce Association         .109         .47         .202-303-3400         .202-303-3433	Sunfed	41	1	866-4-SUNFED	529-761-1446
SunnyRidge Farm, Inc.         66         45         .863-299-1894         .863-299-779-79-79-79-79-79-79-79-79-79-79-79-	Sunlight Int'l. Sales	19	46	661-792-6360	661-792-6529
Tanimura & Antle, Inc.         5         41         800-772-4542         831-455-3911           Target Interstate Systems, Inc.         91         79         800-338-2743         800-422-4321           P. Tavilla Co., Inc.         84         14         617-884-9100         .617-884-2691           Thomas Produce Sales, Inc.         48         76         520-281-4788         .520-281-2701           To-Jo Fresh Mushrooms, Inc.         38         78         .610-268-8082         .610-268-864           Turbana Banana Corp.         .76-77         63         .800-TURBANA         .305-443-8901           Uncle Matt's Organic         54         24         .866-626-4613         .352-394-1001           United Fresh Produce Association         109         47         .202-303-3400         .202-303-3433	Sunny Fresh Citrus	54	77	772-770-0207	772-770-0209
Target Interstate Systems, Inc.         91         79         .800-338-2743         .800-422-432!           P. Tavilla Co., Inc.         84         14         .617-884-9100         .617-884-269!           Thomas Produce Sales, Inc.         48         76         .520-281-4788         .520-281-270!           To-Jo Fresh Mushrooms, Inc.         38         78         .610-268-8082         .610-268-864           Turbana Banana Corp.         .76-77         .63         .800-TURBANA         .305-443-890!           Uncle Matt's Organic         .54         .24         .866-626-4613         .352-394-100!           United Fresh Produce Association         .109         .47         .202-303-3400         .202-303-343!	SunnyRidge Farm, Inc	66	45	863-299-1894	863-299-7794
P. Tavilla Co., Inc.     84     14     .617-884-9100     .617-884-2699       Thomas Produce Sales, Inc.     48     76     .520-281-4788     .520-281-270       To-Jo Fresh Mushrooms, Inc.     38     78     .610-268-8082     .610-268-864       Turbana Banana Corp.     .76-77     .63     .800-TURBANA     .305-443-890       Uncle Matt's Organic     .54     .24     .866-626-4613     .352-394-100       United Fresh Produce Association     .109     .47     .202-303-3400     .202-303-3433	Tanimura & Antle, Inc	5	41	800-772-4542	831-455-3915
Thomas Produce Sales, Inc.         48         76         520-281-4788         .520-281-270           To-Jo Fresh Mushrooms, Inc.         38         78         .610-268-8082         .610-268-864           Turbana Banana Corp.         76-77         63         .800-TURBANA         .305-443-890           Uncle Matt's Organic         54         24         .866-626-4613         .352-394-100           United Fresh Produce Association         109         47         .202-303-3400         .202-303-343	Target Interstate Systems, Inc	91	79	800-338-2743	800-422-4329
To-Jo Fresh Mushrooms, Inc.         38         78         .610-268-8082         .610-268-864           Turbana Banana Corp.         76-77         .63         .800-TURBANA         .305-443-890           Uncle Matt's Organic         54         .24         .866-626-4613         .352-394-100           United Fresh Produce Association         .109         .47         .202-303-3400         .202-303-343	P. Tavilla Co., Inc.	84	14	617-884-9100	617-884-2696
To-Jo Fresh Mushrooms, Inc.         38         78         .610-268-8082         .610-268-864           Turbana Banana Corp.         76-77         .63         .800-TURBANA         .305-443-890           Uncle Matt's Organic         54         .24         .866-626-4613         .352-394-100           United Fresh Produce Association         .109         .47         .202-303-3400         .202-303-343	Thomas Produce Sales, Inc	48	76	520-281-4788	520-281-2703
Uncle Matt's Organic         54         24         .866-626-4613         .352-394-100           United Fresh Produce Association         109         .47         .202-303-3400         .202-303-3433					
United Fresh Produce Association	Turbana Banana Corp	76-77	63	800-TURBANA	305-443-8908
United Fresh Produce Association					



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